

Yesterday, however, I received the following telegram addressed to me:

WESTON, W. VA.

I requested that the postmaster nomination for West Virginia be held until my return to Washington. This was done because of illness that has prevented me from leaving my home. To take advantage of this and submit the names to the Senate is cheap.

RUSH D. HOLT.

Mr. President, if I had thought only of the wording of the telegram, I probably would not be on the floor at this time; but I overlook the discourtesy of the telegram, and in the attempt to be perfectly fair to the Senator from West Virginia, as I hope I am to every other Senator, immediately on its receipt yesterday I asked that the several postmaster nominations be restored to the calendar, and the office of the Senator from West Virginia has been notified, so that he can take whatever steps he may care to take.

In the meantime I find that 11 of the 12 postmasters have been fourth-class postmasters, appointed under the civil-service rules, but their offices have become Presidential, which is the reason for the nominations having been sent here. As to those 11, I have this report from the Department:

In the case of all of the West Virginia postmasters, whose office was made Presidential on July 1, 1937, the old postmaster (incumbent) was recommended for confirmation. Some of these were appointed when the office was fourth class under this administration and some under a previous administration. None, however, are new appointments on or subsequent to July 1, 1937.

I take it that under those circumstances no one would want to hold up the confirmation of all 11 nominees. If any charges are made against them, or as to any others, the names of these nominees will be kept on the Executive Calendar for a short time, so that such charges may be made, and, if necessary, considered by the Committee on Post Offices and Post Roads.

I make this statement in justice to myself and in justice to the Senator from West Virginia.

#### RECESS

Mr. POPE. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 21 minutes p. m.) the Senate took a recess until tomorrow, Friday, December 3, 1937, at 11 o'clock a. m.

## HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 2, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Father, as we stand before Thee, may there be grace and beauty shining in our hearts. O Spirit of Truth, shine through, and may our upward look give courage to our earthward step. Strengthen us with the power of that faith which is essentially creative. Guard us with that wisdom which is more precious than gold, and bless us with those riches which give sweetness and nobility of soul. Into Thy tender and merciful care we commend our beloved Speaker and all Members of the Congress. We pray that the bonds of loyalty and friendship may be strengthened between all our fellow citizens. O bless all men, and may they be clothed in their right minds, and keep us in the way that leads to life everlasting. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### PRIVILEGE OF THE HOUSE

Mr. FISH. Mr. Speaker, I rise to a question of privilege of the House and offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

#### House Resolution 366

Whereas it is stated in the public press that the gentleman from Texas [Mr. DIES] has publicly stated that: "They have

swapped everything today but the Capitol. They have traded and promised Members everything to get them on that petition. They even told the Florida delegation they would get the Florida ship canal, I heard, if they signed. They promised so much there won't be anything left for the Federal Government"; and

Whereas the gentleman from Virginia [Mr. ROBERTSON] is quoted in the public press as having stated on the floor of the House: "Charges the House farm bill was being made 'a purely log-rolling proposition' to get signatures on the wage and hour petition were openly made in the House by Representative A. WILLIS ROBERTSON, Democrat, of Virginia. He spoke of efforts to 'trade support for the farm measure in return for support for the wage and hour measure.' 'Reprisals are openly threatened,' said ROBERTSON, 'if southern Members who conscientiously believe that the pending wage and hour bill is fundamentally unsound and inherently unworkable do not promptly march to the Clerk's desk and sign the petition to bring up the wage and hour measure'"; Therefore be it

Resolved, That a special committee consisting of five members shall be appointed by the Speaker to investigate such statements and report its findings and recommendation to the House of Representatives.

Mr. RAYBURN. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER. The question is on the motion of the gentleman from Texas to lay the resolution on the table.

The question was taken; and the Speaker announced that the ayes seemed to have it.

Mr. FISH. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 279, nays 94, answered "present" 1, not voting 56, as follows:

[Roll No. 9]

YEAS—279

Allen, Del.	Dorsey	Johnson, W. Va.	O'Connor, N. Y.
Allen, La.	Doughton	Jones	O'Day
Amle	Doxey	Kee	O'Leary
Anderson, Mo.	Drew, Pa.	Kelly, Ill.	O'Malley
Arnold	Driver	Kennedy, Md.	O'Neal, Ky.
Ashbrook	Duncan	Kennedy, N. Y.	O'Neill, N. J.
Barden	Dunn	Keogh	O'Toole
Barry	Eberharter	Kerr	Owen
Beam	Eckert	Kirwan	Pace
Beiter	Elcher	Kitchens	Palmisano
Bell	Elliott	Kleberg	Parsons
Bernard	Evans	Kociakowski	Patman
Biermann	Farley	Kopplemann	Patrick
Bigelow	Ferguson	Kramer	Patterson
Binderup	Fernandez	Kvale	Patton
Bland	Fitzgerald	Lambeth	Peterson, Fla.
Bloom	Fitzpatrick	Lanham	Peterson, Ga.
Boland, Pa.	Flannagan	Lanzetta	Pettengill
Boren	Fleger	Larrabee	Pierce
Boyer	Fletcher	Lea	Polk
Boykin	Forand	Leavy	Quinn
Brooks	Ford, Calif.	Lesinski	Rabaut
Brown	Ford, Miss.	Lewis, Colo.	Ramsay
Buck	Frey, Pa.	Lewis, Md.	Ramspeck
Buckler, Minn.	Fries, Ill.	Long	Randolph
Bulwinkle	Fuller	Lucas	Rankin
Burch	Fulmer	Luckey, Nebr.	Rayburn
Byrne	Gambrill, Md.	Luecke, Mich.	Reilly
Caldwell	Garrett	McAndrews	Richards
Cannon, Mo.	Gasque	McClellan	Rigney
Cartwright	Gehrmann	McCormack	Robertson
Casey, Mass.	Gildea	McGehee	Robinson, Utah
Celler	Gingery	McGranery	Rogers, Okla.
Champion	Goldsborough	McKeough	Romjue
Chandler	Gray, Ind.	McLaughlin	Ryan
Chapman	Gray, Pa.	McMillan	Sacks
Clark, Idaho	Green	McReynolds	Sadowski
Clark, N. C.	Greenwood	McSweeney	Sanders
Claypool	Greever	Mahon, S. C.	Satterfield
Cochran	Gregory	Mahon, Tex.	Schaefer, Ill.
Coffee, Nebr.	Griffith	Maloney	Schneider, Wis.
Coffee, Wash.	Griswold	Martin, Colo.	Schuetz
Colden	Haines	Massingale	Schulte
Connery	Hamilton	Maverick	Scott
Cooley	Hancock, N. C.	Mead	Scruggam
Cooper	Hart	Meeks	Secrest
Cox	Harter	Merritt	Shanley
Cravens	Havener	Mills	Shannon
Creal	Healey	Mitchell, Ill.	Sirovich
Crosby	Hill, Ala.	Mitchell, Tenn.	Smith, Va.
Crowe	Hill, Wash.	Moser, Pa.	Smith, Wash.
Cullen	Honeyman	Mosier, Ohio	Smith, W. Va.
Cummings	Hook	Mouton	Snyder, Pa.
Curley	Houston	Murdock, Ariz.	Somers, N. Y.
Deen	Hunter	Murdock, Utah	South
Dempsey	Imhoff	Nelson	Sparkman
DeRouen	Izac	Nichols	Spence
Dickstein	Jacobsen	Norton	Stack
Dies	Jarman	O'Brien, Ill.	Starnes
Dingell	Jenckes, Ind.	O'Brien, Mich.	Steagall
Dixon	Johnson, Luther A.	O'Connell, Mont.	Sutphin
Dockweiler	Johnson, Lyndon	O'Connell, R. I.	Sweeney
	Johnson, Okla.	O'Connor, Mont.	Swope

Tarver	Thompson, Ill.	Vinson, Fred M.	Wilcox
Taylor, Colo.	Tolan	Vinson, Ga.	Williams
Telgan	Towey	Voorhis	Withrow
Terry	Transue	Wallgren	Wood
Thom	Turner	Warren	Woodrum
Thomas, Tex.	Umstead	West	Zimmerman
Thomason, Tex.	Vincent, B. M.	Whittington	

## NAYS—94

Allen, Ill.	Eaton	Lambertson	Seger
Andresen, Minn.	Engel	Lamneck	Shafer, Mich.
Andrews	Englebright	Lord	Short
Arends	Fish	Luce	Simpson
Bacon	Gamble, N. Y.	McLean	Smith, Maine
Barton	Gearhart	Mapes	Snell
Bates	Gilchrist	Martin, Mass.	Stefan
Boileau	Guyot	Mason	Taber
Brewster	Gwynne	Michener	Taylor, S. C.
Burdick	Halleck	Mott	Taylor, Tenn.
Carlson	Hancock, N. Y.	Oliver	Thomas, N. J.
Carter	Hartley	Pearson	Thurston
Case, S. Dak.	Hendricks	Plumley	Tinkham
Church	Hobbs	Powers	Tobey
Clason	Hoffman	Reece, Tenn.	Treadway
Cluett	Holmes	Reed, Ill.	Wadsworth
Cole, N. Y.	Hope	Reed, N. Y.	Welch
Colmer	Hull	Rees, Kans.	White, Ohio
Crawford	Jarrett	Rich	Wigglesworth
Crowther	Jenkins, Ohio	Robison, Ky.	Wolcott
Culkin	Jenks, N. H.	Rockefeller	Wolverton
Dirksen	Kenney	Rogers, Mass.	Woodruff
Dondero	Kinzer	Rutherford	
Dowell	Knutson	Sauthoff	

## ANSWERED "PRESENT"—1

Ludlow

## NOT VOTING—56

Aleshire	DeMuth	Hildebrandt	Phillips
Allen, Pa.	Disney	Johnson, Minn.	Poage
Atkinson	Ditter	Keller	Sabath
Boehne	Douglas	Kelly, N. Y.	Sheppard
Boylan, N. Y.	Drewry, Va.	Kniffin	Smith, Conn.
Bradley	Edmiston	Lemke	Sullivan
Buckley, N. Y.	Ellenbogen	McFarlane	Sumners, Tex.
Cannon, Wis.	Faddis	McGrath	Walter
Citron	Flannery	McGroarty	Wearin
Cole, Md.	Gavagan	Maas	Weaver
Collins	Gifford	Magnuson	Wene
Costello	Harlan	Mansfield	Welch
Daly	Harrington	May	White, Idaho
Delaney	Hennings	Pfeifer	Wolfenden

So the motion to lay the resolution on the table was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Drewry of Virginia (for) with Mr. Ditter (against).  
 Mr. Gavagan (for) with Mr. Maas (against).  
 Mr. Mansfield (for) with Mr. Gifford (against).  
 Mr. Pfeifer (for) with Mr. Wolfenden (against).  
 Mr. Atkinson (for) with Mr. Douglas (against).

Until further notice:

Mr. McFarlane with Mr. Lemke.  
 Mr. Sullivan with Mr. Johnson of Minnesota.  
 Mr. Weaver with Mr. Flannery.  
 Mr. Boehne with Mr. Wearin.  
 Mr. Collins with Mr. Kniffin.  
 Mr. Sumners of Texas with Mr. Buckley of New York.  
 Mr. Boylan of New York with Mr. White of Idaho.  
 Mr. Harlan with Mr. Poage.  
 Mr. Kelly of New York with Mr. Hennings.  
 Mr. Delaney with Mr. Allen of Pennsylvania.  
 Mr. Daly with Mr. Phillips.  
 Mr. Sheppard with Mr. May.  
 Mr. Faddis with Mr. Citron.  
 Mr. Disney with Mr. Aleshire.

Mr. McLAUGHLIN changed his vote from "nay" to "yea."

Mr. MANSFIELD. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. MANSFIELD. Mr. Speaker, I was present, but was called out of the Chamber for just a few minutes. I do not know when my name was called.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## ELECTION TO COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution.

The Clerk read as follows:

## House Resolution 367

*Resolved*, That SAM C. MASSINGALE, of Oklahoma, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on the Judiciary.

This resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further privileged resolution.

The Clerk read as follows:

## House Resolution 368

*Resolved*, That LAWRENCE J. CONNERY, of Massachusetts, be, and he is hereby, elected a member of the standing Committees of the House of Representatives on Education and Patents.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further privileged resolution.

The Clerk read as follows:

## House Resolution 369

*Resolved*, That JOHN MCSWEENEY, of Ohio, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Foreign Affairs.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further privileged resolution.

The Clerk read as follows:

## House Resolution 370

*Resolved*, That DAVE E. SATTERFIELD, of Virginia, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on the Judiciary.

The resolution was agreed to.

## EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of raising consumer prices by law.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the Northwest Territory.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered on November 27, 1937.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on House Joint Resolution 453.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BATES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address I delivered last evening at Ipswich, Mass., commemorating the one hundred and fiftieth anniversary of the Northwest Territory Ordinance.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## THE FARM BILL

Mr. JONES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8505, with Mr. WARREN in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous-consent agreement all general debate has expired. The Clerk will read the bill for amendment.



The Clerk read as follows:

*Be it enacted, etc., That this act may be cited as the "Agricultural Adjustment Act of 1937."*

**TITLE I—DECLARATION OF POLICY, AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AND DEFINITIONS**

**DECLARATION OF POLICY**

SECTION 1. It is hereby declared to be the policy of Congress to continue the Soil Conservation and Domestic Allotment Act, as amended, for the purpose of conserving national resources, preventing the wasteful use of soil fertility, and of preserving, maintaining, and rebuilding the farm and ranch land resources in the national public interest; to accomplish these purposes through the encouragement of soil-building and soil-conserving crops and practices and regulating in interstate and foreign commerce soil-depleting crops; to assist farmers in accomplishing these purposes by securing so far as is practicable parity income and prices and to assist in the marketing of agricultural commodities through storage, warehousing, or providing for reserve supplies, and to assist in the marketing of such commodities for domestic consumption and for export.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the Committee on Agriculture a question.

I want to ask the chairman if the committee has any committee amendments to offer and, if so, would he mind telling us, briefly, what the amendments are?

Mr. JONES. There are a number of correcting amendments that will be offered. The one that the gentleman may be interested in with respect to cotton will be one to exempt from the penalty provisions any producer whose actual production is not in excess of 1,500 pounds of lint cotton.

Mr. RANKIN. The committee has agreed on that?

Mr. JONES. The committee has agreed to it.

Mr. RANKIN. At what page is that?

Mr. JONES. Page 63.

Mr. GREEN. Mr. Chairman, will the gentleman from Mississippi yield so that I may ask the gentleman from Texas a question?

Mr. RANKIN. I yield.

Mr. GREEN. Did the committee place in the bill a provision for the exemption of cotton growers who have staple of 1½-inch length or longer from the provisions as to quota?

Mr. JONES. That is in the bill, 1½ inch or longer.

Mr. RANKIN. Let me ask the chairman of the Committee on Agriculture a further question. Is that the only important committee amendment you have outside of clarifying or correcting amendments?

Mr. JONES. There are several amendments and I would hate to say that none of the others is important. We have one on page 60, I believe it is, to make the cotton provision conform on county allotments to the other provisions and we have quite a few amendments that will be offered throughout the bill, but these are the principal ones.

Mr. RANKIN. Let me ask the gentleman a question about the three-bale amendment. Does that mean that the little fellow will be permitted to raise three bales of cotton regardless of other provisions of the bill.

Mr. JONES. There will be no marketing quota or penalty put on him if he does not produce more than three bales of 500 pounds each.

Mr. TARVER. Mr. Chairman, will the gentleman from Mississippi yield to me to ask a further question at this point?

Mr. RANKIN. I yield.

Mr. TARVER. This provision for the exemption of the little farmer includes in the word "producer" the tenant and the sharecropper?

Mr. JONES. It includes both producers and tenants. As I understand, they do not make any allotments to sharecroppers at all. They are made through the landlord and therefore there will be no marketing quota or penalty at all on the sharecropper.

Mr. TARVER. There is then no protection for the sharecropper in the amendment the gentleman proposes to offer?

Mr. JONES. The sharecropper will not have any quota or penalty either.

Mr. TARVER. Yet the Senate bill provides for an exemption to the sharecropper of 5 acres. The gentleman's committee is not so liberal.

Mr. JONES. Yes; because he can grow cotton without any penalty. The sharecropper can grow his full allotment and will never be subject to any penalty. We are more liberal because the sharecropper will never be subject to a quota or a penalty.

Mr. TARVER. His rights are dependent—

Mr. JONES. They are dependent on his contract with the landlord and we cannot interfere with that, but, as a matter of fact, we exempt him entirely.

Mr. TARVER. If the landlord has 10 or 12 sharecroppers and his allotment is not sufficient to let each one of them have the 3-bale exemption, they may not be able to get any exemption whatever.

Mr. JONES. The sharecropper is without any limitation and can get all he can grow.

Mr. TARVER. Or all that he can get permission from his landlord to grow.

Mr. JONES. The gentleman understands we cannot go into land titles and force a landlord to use the sharecropper.

Mr. TARVER. But you can let the landlord have enough exemption and provide that these exemptions shall apply to the landlord in order to enable him to rent the sharecropper land and permit him to raise as much as three bales without penalty.

Mr. JONES. I think in all probability the average sharecropper will probably get more than the amount the gentleman suggests, and, if you included the sharecropper in this, it would tend to limit them. We do not put any limit on the sharecropper. If he can make 20 bales he is not subject to the quota or the limit.

Mr. TARVER. He is limited by the limitation you put on his landlord.

Mr. JONES. Oh, no; he is limited, of course, in the sense that he is limited in the amount of land he may have.

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I rise in opposition to the pro forma amendment. I make this pro forma motion rather than a motion to strike out the paragraph, for fear that under the circumstances the judgment of the House might be colored by a division of sentiment in regard to the main part of the bill. It is in protest against the section that I rise.

When I came here hardly a week passed that some bill did not come before the House with a preamble. Invariably at the end of the consideration of the bill a motion to strike out the preamble was made and never was there objection to that motion. Within the last few years the young gentlemen in the departments down at the other end of the Avenue, who are now writing the first drafts of our bills, not trained in the science of bill drafting nor familiar with the long-time sentiments of the House, have been adopting a clever expedient, an unhappy expedient, for escaping precedent by getting their preambles into the body of the bill. This strikes me as wretched lawmaking. It strikes me as most unfortunate, something that ought to be stopped.

Look at what this bill says in the first paragraph:

It is hereby declared to be the policy of Congress to continue—certain things. The proper place for that is in a speech. It is probably inserted here, and certainly in various other places in the course of the bill speeches are inserted, in the hope of shaping the judgment of the courts.

Mr. Chairman, law is created for one of three purposes—to command citizens to do things, to permit citizens to do things, or to forbid citizens to do things. To declare a policy, to announce a belief, or to state a fact, is not an injunction nor a permission. It invites litigation, it confuses litigation, and it accomplishes no useful purpose.

The proper place for it is where the counsel for plaintiff or defendant presents argument before the courts.

The practice of preambles grew a hundred years ago to astonishing proportions in the State legislatures. They found out the unwisdom of it and have gradually lessened its use.

Therefore, Mr. Chairman, I trust that at the proper time the House, without the prejudice inevitable under such circumstances as those prevailing at the moment, may after giving calm consideration to the question, determine whether it will continue to permit what seems to me the outrageous practice of putting speeches into statutes.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. JONES. The gentleman understands that the reason for putting in this is the fact that the Supreme Court several times has commented on these statements, and given weight to them in rendering its opinion.

Mr. LUCE. The Supreme Court has to some small extent, a limited extent, paid attention thereto. In England the preamble is not allowed to affect the determination of the courts, although they may consult the preamble for incidental purposes. Whether there should be preambles in bills during their consideration in the House is not the question I stress at the moment. My protest today is against the enactment of these things into law. [Applause.]

#### PARITY PRICES FOR FARMERS

Mr. PATMAN. Mr. Chairman, I move to strike out the last word. Many Members of the House have been working on the question of parity prices, and I rise to take just a minute or two to suggest that on page 14 it is provided that loans may be made when authorized upon the recommendation of the Secretary and with the approval of the President. The only way that we have been able to find to present this question to the House for a vote is to strike out the provision authorizing it and insert the word "shall," compelling loans to be made, and then in lines 17 and 18 strike out the words and figures "55 percent and not more than 75 percent," so as to make it compulsory that loans shall be made at parity prices on that part of the production that is consumed in the domestic market. I admit that is not a good way to legislate, but that seems the only way that we can get the question before the conference committee. After all, this bill will be written in conference between the House and Senate, and when we compel parity prices on loans, the question will be wide open for the conferees to write a bill that will permit parity prices to be paid. It is a very difficult matter for many Members of the House to vote for a bill which we know will not likely give the farmers more than 10 cents a pound for cotton, and which means—and I am liberal when I say 10 cents a pound—10 cents an hour for labor. Five-cent cotton means 5 cents an hour for labor and 10-cent cotton means 10 cents an hour for labor. How can Members justify voting for 5 cents an hour and 10 cents an hour for labor on the cotton farms and then vote for industry to have a wage several times that high? It is something that we ought to consider.

I find that the city Members are very liberal, they are generous. They want to do what is right toward the Members from the rural areas, and I appreciate that, and we want to go along with them; but at the same time I hope that they will place themselves in our place and see what a predicament we would be in if we voted for 10-cent and 5-cent labor for our own people and then voted for several times that much for others. We certainly should give the farmers the parity price.

I realize this committee has performed great work on this legislation and that they have done the best they could. They have had to compromise, they had to give and take. I realize that, but at the same time this question of parity prices, if these amendments are adopted, can be thrown into conference, and then through the efforts of our good chairman and the other conferees I am hopeful something constructive will be worked out in that direction.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last two words. I recall very well the remarks of a former President, the late Calvin Coolidge, when he said, "The farmer must work out his own salvation." I never agreed in full with Mr. Coolidge at that time, but with an amendment making that statement read "The farmer must help to work out his own salvation," I agree. There would be no farm bill today nor would there have been an extraordinary session of Congress if the farmers of this country had controlled production and given some thought to what was sure to happen if the yield of cotton, corn, wheat, and other commodities resulted in great surpluses. Everyone agrees that the prices he is receiving today is far below that to which the farmer is entitled. Had the farmer assisted to work out his own salvation he would not have planted every acre of soil that he controlled, and had they been in a position where they could and did control production the price today would be equal to if not in excess of the price during lean years. It is just as easy for the manufacturer to destroy his business as it is for the farmer to place himself in a position where he will be facing bankruptcy by producing too much. For instance, if the shoe manufacturer produced 500,000 more pairs of shoes than he knows he could sell, no one comes to his rescue, nor should they assist him. He survives because he limits his output to the demand. I would like to see the farmer in a position financially where he could, when there is a great surplus, store his products and release only a sufficient amount to hold up the price. That probably is idle talk, because you will no doubt say, "How are you going to control 6,000,000 farmers?"

What has happened in the past to the farmer should serve as a lesson to the generation that succeeded him. He is entitled to a fair price for that which he produces the same as the manufacturer is and if he received a fair share of what the consumer pays for his products he would be getting more than a fair price. Let me ask if you find reflected in the price of farm commodities the difference in price paid for last year's crop and this year's crop. Try and find where bread is any cheaper although the price of wheat is down, and so forth.

I submit the time has arrived when the farmers of this country should cooperate among themselves and with the Congress of the United States if they ever expect to get real relief and a fair price for grain, hogs, and cattle as well as other farm products. I want them to have purchasing power. National prosperity is assured when the farmer is prosperous. The price of everything he buys has advanced; why should his yield not advance? I do not know whether you have the solution here. I hope you have because no committee has ever worked harder than have the members of the Committee on Agriculture.

If you could only find a way to get some of the money, the difference between what the farmer now gets and what the consumer now pays, in the hands of the farmer, then your troubles would be over.

Mr. Chairman, I want to commend to the Members of the House an article written by Mr. William Hirth, editor and publisher, appearing in the *Missouri Farmer*. This article will be found on page 2007 in the Appendix to the CONGRESSIONAL RECORD, volume 81, part 10, first session, of the present Congress. There is not a Member of this House from the Middle West who does not know or who has not read his writings on the farm situation. Mr. Hirth has been a member of various special committees which have attempted from time to time to assist the administration in solving the farm problem. In that article he commends rather than condemns, as did many of the farm leaders, the action of your Agriculture Committee in postponing action on farm legislation until this session. I was very much impressed when I read that article. I am going to quote briefly from that article. Speaking of a statement issued by the Farm Bureau Federation, Mr. Hirth says:

Among other things, the federation statement asserts that unless surplus control legislation is enacted it is possible that "the larger crops of cotton and corn now grown seem destined to have a lower



aggregate value than the same crops grown in the disastrous drought year of 1936." Whether this will be true remains to be seen. So far as cotton is concerned, we have always produced a heavy surplus.

With our corncribs as empty as a last year's bird's nest, and after having during the recent winter witnessed the importation of many millions of bushels of Argentine corn and European oats, to say nothing of millions of pounds of canned meats from South America, the farmers of the Corn Belt will be deeply grateful if a big corn crop is produced. Regardless of the price, this will give them plenty of feed, which they have not had for 3 years in succession. With a short pig crop there is little danger of excess pork production.

Whatever the difficulties of plenty, they are far less tragic than those of scarcity. In the meantime farmers will still have the benefit of the soil-conservation payments which were so highly praised by the administration.

Finally, it may be said that the thinking farmers of Missouri and the country generally are weary of subsidies out of the Federal Treasury, whatever their form or the pretext upon which they are paid. What they ask is an American price in the American market. Assured of this, they will be more than willing to suffer whatever penalties may attach to the different surpluses.

Farmers want consumers to treat them as they treat industry and labor. They do not want the already overburdened taxpayers to subsidize them. Until the powers that be in Washington get this viewpoint, the farm problem will never be soundly settled. After repeated attempts since the Coolidge administration, we have failed to solve this problem adequately. The agriculture committees of Congress are to be commended, rather than censured, for having concluded to do a little thinking on their own hook.

It has been stated on the floor that only about 35 percent of the people of the country live on farms. Still the farm districts have an overwhelming majority in this House. You have the votes if you can agree. There are provisions of the bill I do not like and I hope will be amended so I can help you solve the problem.

I sincerely hope the representatives of the farmer will consider very carefully the question of administration and penalties attached to this legislation. This is just as important as other features of the bill if not more so. I respect the Secretary of Agriculture and also many of his assistants but I repeat, be careful and remember what has happened in the past when you place too much power in the hands of Federal officials. Specifically provide for administration just as much as you can or your law will surely be rewritten by rules and regulations as is the case when you leave it entirely to the executive branch of the Government. Then again use as many officials and employees of the Department of Agriculture as possible to carry out its provisions. The Department of Agriculture, under the law creating it, is charged with promoting agriculture in its broadest sense. In other words to show the farmer how to raise more and better crops. Last year we appropriated untold millions for this specific purpose. Then we turn around and pass laws to curtail production and pay the farmers who take land out of cultivation. If this is not an asinine policy what is it? Therefore I say stop for the time being showing the farmer how to raise more crops and let those officials and employees be assigned to administer this law.

Getting back to centralization of power I am reminded of a little incident that occurred recently that really amused me. The distinguished chairman of the Committee on the Judiciary, my good friend Mr. SUMNERS of Texas, a few days ago placed in the RECORD a speech that he made at Kansas City before the American Bar Association, in which he urged that a "battalion of death" be organized to stop this centralization of power in Washington. I wonder if that gentleman and other members of the battalion are going to make the supreme sacrifice this week, to try to stop the enactment of legislation that will place the control of the farmers of this country in the hands of one man, the Secretary of Agriculture. In other words are they going to be consistent? [Applause.]

When I read that speech in the newspapers I had to laugh. I remembered how the gentleman from Texas [Mr. SUMNERS] came on this floor when the antilynching bill was pending and pleaded with us to keep the Government police out of Texas and "let us take care of the situation. We will stop it and punish those who are responsible."

He was consistent then when he wanted no more power centralized in Washington. He was speaking for the right of Texas to look after its own affairs. I did not agree with him then; I voted for the bill. Then I remember a few days afterward, when those who opposed that bill came in here and said, "We want Federal police in Texas to save our oil industry. Pass the 'hot oil' bill."

They were not so consistent then. They wanted Federal police to save oil, but not to have human beings.

It was not long afterward before, coming from the Judiciary Committee, was a bill where you were going to set up a great Federal police authority to protect the dry as well as the wet States of the Union against the illicit manufacture and sale of liquor. I called attention to that on the floor of the House. I was the only Member on the floor of the House who objected to the consideration of that bill, but I could not stop its passage. Again they asked for Federal police, which they opposed when the lynching bill was under consideration.

Then the same gentleman's committee, the Judiciary Committee, brought in a bill that made a chicken thief subject to the Federal police; made it a felony to steal a chicken and take it over a State line. That bill passed not only the House but also the Senate, and had it not been for the veto of President Roosevelt you would have had Federal police chasing chicken thieves in Texas and other States. Where was the "battalion of death" then?

Oh, I guess it was all right to make the speech at Kansas City before the Bar Association. It was well received. Those present evidently thought the gentleman from Texas was going to talk about the Supreme Court, but he fooled them and talked about centralization of power. I hope the gentleman and his "battalion of death" stop the centralization of power in the Federal Government. But there is centralization of power that they want at times, and there is centralization of power that they do not want at other times. It seems that this is one time they want control of the farmers of the country placed under the thumb of one man. Would it not be well to consider telling that man just how far he can go in specific language and likewise tell him what he cannot do? From past experience are you not afraid that rules and regulations might place you in an embarrassing position with your constituents by providing through administration for something you did not intend?

I come from a city district, but I think, with the possible exception of the McNary-Haugen bill years ago, I have gone along with and supported every farm measure that has ever been brought to this floor. I repeat, I realize the manufacturers in my district cannot sell the commodities they produce unless there is buying power among the farmers. I want to vote for this bill, and I hope when it is placed on final passage it is in such shape that I will be able to do so.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COCHRAN] has expired.

Mr. JONES. Mr. Chairman, I rise in opposition to the pro forma amendment, in order to say a few words about the suggestion made by the gentleman from Texas [Mr. PATMAN] on the question of the amount of these loans, while there are a great many members present.

Of course I would like to see parity prices. I think everyone from the farming States would like to see parity prices, and would like to have that as the goal. I do not think it is practical to accomplish that, perhaps, all at once, by making mandatory loans at parity. There are an average of 2,307,000 bushels of corn harvested in the last 10 years. If you made parity loans on corn you would make loans of 87 cents per bushel. If you made parity loans on cotton you would make loans of 16.6 cents per pound. We have produced 13,203,000 bales of cotton on the average during the last 10 years. You can run through the different commodities and you will find under such a proposal that the Government would be obliged to purchase an overwhelming amount of



these various commodities. I do not believe it is in the long-range interest of the farmers to have such loan provision made. I think if this bill works and we get the loans, we will take a long step forward. If you made these mandatory loans you would have a debacle probably worse than the Farm Board, and then you would come up empty handed.

The American people did not build the first automobile with all of the fine improvements which it has today. You do not get over typhoid fever overnight. Of course, there are many things that are desirable, but you must reach them in an orderly way if you are going to retain them. We have as much trouble sometimes with the man who is anxious to do a thing too quickly as we do with the man who does not want to do anything at all.

I believe this bill is a long step forward from the old bills. I think the Soil Conservation Act was a long step forward over what we had before we had any bill.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. PATMAN. May I say my thought was this would throw the question into conference, and there you could work out the problem of allowing the domestic market for the farmers who are engaged in agriculture for a livelihood and give them the American parity price on the same theory that the coal price was fixed.

Mr. JONES. I believe the gentleman will find that this bill is flexible enough to permit the making of parity payments, provided you can get sufficient money.

Over on the next to the last page we authorize, in addition to the soil-conservation appropriation, such other sums for other payments as the Congress may from time to time determine. One reason why I think so is that such a course will require more money, and the President has said that if additional money is needed to finance the program we should make provision for it. The whole thing will be in conference. If the gentleman can find the place to get sufficient money, we can put parity prices in the bill. It is my belief that if we get what we have in this bill we shall be a long way better off than we would be without any bill. I feel that if you include these provisions for mandatory loans you are increasing the difficulty. I call the gentleman's attention to the fact that 70 percent of the American people live in the towns and cities, and that only about 30 percent live on the farms. When you come to the consideration of a farm bill, one fellow wants this thing in, another fellow wants something else in, and a third still something different, and so on. If you write a bill with a single proposition there would probably be more objection to it than to the bill as agreed upon. We have tried to make it as flexible as possible.

[Here the gavel fell.]

The Clerk read as follows:

#### POWERS UNDER SOIL-CONSERVATION PROGRAM

SEC. 2. Section 8 (b) and (c) of the Soil Conservation and Domestic Allotment Act, as amended, are amended to read as follows:

"(b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption and exports; or (5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be construed to cover water conservation and the beneficial use of water on individual farms, including measures to prevent run-off, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with

respect to which such payment is made. In carrying out the provisions of this section, the Secretary—shall, as far as practicable, protect the interests of tenants and sharecroppers; is directed to utilize county and community committees of agricultural producers who are appointed by the Secretary on the advice and recommendation of farmers in the locality who are participants in the program, and to grant such committees as full voice as is practicable in formulating and administering the program; is authorized to utilize the Agricultural Extension Service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases: (a) Soil-depleting crops and practices, (b) soil-building crops and practices.

"(c) (1) In determining acreage allotments under this section in the case of cotton, wheat, rice, tobacco, and field corn, the National and State allotments and the allotments to counties or other administrative areas shall be determined annually on the basis of the acreage devoted to the production of the commodity during the 5 calendar years (in the case of cotton, tobacco, and rice), or the 10 calendar years (in the case of wheat and field corn), immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

"(2) In the case of wheat and rice, the allotment to any county or other local administrative area (less 3 percent thereof) shall be apportioned annually by the Secretary, through the local committee, among the farms within such county or area so that the allotment of each farm shall be a prescribed percentage of the average (during the previous 5 years) of the tilled acres of the farm, which percentage shall be the same for all farms in the county or area. The allotment to any farm on which the commodity has been planted during at least one of such years shall be that proportion of the farm allotment which would otherwise be made which the number of such years bears to five. Three percent of the county or local allotment shall be apportioned to farms, within the county or area upon which the commodity has not been planted during any of the previous 5 years, on the basis of land, labor, and equipment available for the production of such agricultural commodity; crop-rotation practices; and the soil and other physical facilities affecting the production of such commodity. In determining allotments under this paragraph, the Secretary shall also take into consideration the acreage on the farm devoted during such 5-year period to the production of other soil-depleting commodities specified in paragraph (1).

"(3) In the case of cotton, 95 percent of the State acreage allotment shall be apportioned annually by the Secretary to the counties and other administrative areas in the State. The allotment to any county or other local administrative area shall be apportioned annually by the Secretary, through the local committee, among the farms within such county or area, on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the county or area. The allotment to any farm on which cotton has been planted during at least one of such years shall be that proportion of the farm allotment which would otherwise be made which the number of such years bears to five. Two and one-half percent of the State acreage allotment shall be apportioned to farms in such State, which were not used for cotton production during any of the 5 calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton; crop-rotation practices; and the soil and other physical facilities affecting the production of cotton. Two and one-half percent of the State acreage allotment (plus any amount of the State acreage allotment not apportioned pursuant to the preceding sentence) shall be apportioned in such State to owners, cash tenants, and fixed or standing rent tenants, operating farms to which an allotment of not exceeding 15 acres has been made under the apportionment of the allotment to the county or administrative area. Such additional allotment shall be made upon such basis as the Secretary deems fair and equitable. In determining allotments under this paragraph, the Secretary shall also take into consideration the acreage on the farm devoted during such 5-year period to the production of other soil-depleting commodities specified in paragraph (1).

"(4) In the case of field corn, the allotment to any county or other administrative area shall be apportioned annually by the Secretary, through the local committee, among the farms within such county or area on the basis of tillable acreage, type of soil, topography, crop-rotation practices, and production facilities.

"(5) In the case of tobacco, the allotment to any State or other administrative area shall be apportioned annually by the



Secretary among the farms within such State or other area on the basis of past production of tobacco; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco.

"(6) Notwithstanding any other provision of this subsection, if, for any reason other than flood or drought, the acreage of any commodity planted on the farm is less than 80 percent of the farm acreage allotment for such commodity, such farm acreage allotment shall be 25 percent in excess of such planted acreage.

"(7) In determining normal yield per acre on any farm under this section in the case of cotton, wheat, rice, tobacco, and field corn, the normal yield shall be the average yield per acre thereon for such commodity during the 10 calendar years immediately preceding the calendar year in which such yield is determined, adjusted for abnormal weather conditions and trends in yields. If for any reason there is no actual yield, or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with regulations of the Secretary, shall be used. If, on account of drought, flood, insect pests, or other uncontrollable natural cause, the production in any year of such 10-year period is less than 75 percent of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre.

"(d) Any payment or grant of aid made under subsection (b) shall be conditioned upon the utilization of the land, with respect to which such payment is made, in conformity with farming practices which the Secretary finds tend to effectuate any one or more of the purposes specified in clause (1), (2), (3), (4), or (5) of section 7 (a)."

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. Is the bill being read by sections or by paragraphs?

The CHAIRMAN. The bill is being read by sections.

Mr. JONES. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 4, line 19, strike out "determining" and insert "apportioning."

Page 4, line 22, strike out "determined" and insert "apportioned."

The committee amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Page 7, line 15, after the period, insert the following: "In determining allotments under this paragraph to farms on which during such 5-year period the cash income from cash crops other than cotton was greater than the cash income from cotton and cottonseed, the allotment that would otherwise be made shall be appropriately reduced according to ratios fixed by the Secretary representing the current relative values per acre or per unit of cotton and such other commodities. In making such adjustment due consideration shall be given to current trends in the uses to which the farm is devoted. Notwithstanding any other provision of this paragraph, the acreage allotment apportioned to any farm under this paragraph shall not exceed 60 percent of the tilled acres thereon."

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. RANKIN. Mr. Chairman, will the gentleman explain just what this amendment means?

Mr. JONES. This amendment is intended to cover control over other crops of a soil-depleting variety. It provides for appropriate reduction of acreage when those other crops are planted.

Mr. RANKIN. Other soil-depleting crops.

Mr. JONES. Yes.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, all through this bill the question of finances is a matter of great concern. While I am not opposed to the pending amendment, the subject matter of finances is germane to any amendment that may be offered. I realize the difficulty of obtaining the floor in general debate with so many members of the committee and Members from agricultural districts interested, so I wish to take a few minutes at a time when I can express my thoughts on a very important aspect of this legislation. I speak as one who is friendly to agriculture, although having no farm in my district, one who spoke for the passage of the Bankhead Cotton Act several years ago, and one who voted for all farm legis-

lation, except the A. A. A. I voted against the Agricultural Adjustment Act because of what I considered to be its unwise method of taxation, the raising of money through processing taxes.

The President of the United States in a letter to Senator BARKLEY stated clearly that he feels that every effort should be made to keep the new farm program within the present limit of \$500,000,000. His position is very clear in his letter to Senator BARKLEY. He also called attention to the fact that last year's tax bill was, in a sense, necessary to raise \$500,000,000 revenue lost as a result of the Supreme Court decision on the Agricultural Adjustment Act. So we had the spectacle last year of a tax bill raising \$500,000,000 for farm purposes. That was a necessary bill, and I voted for it. We are now considering a farm bill which is made necessary, in the main, as a result of the Supreme Court decision on the A. A. A. To me it would be unwise to pass another tax bill this year to raise \$100,000,000 or \$200,000,000; and I note that on yesterday Secretary Wallace stated that the Senate farm bill, which we are not considering, is likely to cost approximately \$1,000,000,000. In case that bill should ultimately come out of the conference committee it would mean the raising of an additional \$500,000,000. The President has specifically stated that anything in excess of \$500,000,000 must be raised by additional tax legislation.

I think, from the farmer's angle, if I may be permitted to speak as one who has shown by evidence a state of mind friendly to the farmer, and one who intends to vote for the passage of this bill—I am stating my position at the outset, that I am going to vote for the passage of the bill, that it would not be for the best interests of the farmer to have additional taxes levied to meet the expenses of this bill. I am going to vote for the Boileau amendment to help the dairy interests, and some other amendments, but I am going to vote for the passage of the bill whether the amendments are adopted or not. I believe that an economically distressed group of our citizens, such as the farmers, should be given assistance. It is unfortunate that we have to do it, but we face a condition, not a theory. I feel that where the general welfare is served by benefiting a group of our citizenry which is economically depressed, that the burden should be placed upon the people generally, based upon capacity to pay.

I hope, first, that as a result of the passage of this bill no additional tax legislation will be necessary. Under all conditions I am opposed to the reimposition of the processing tax. That is nothing but a sales tax of the most extreme nature and if we are going to impose any kind of a sales tax, we might as well approach the proposition honestly and impose a general manufacturer's excise tax.

So far as the specific question relating to taxation that confronts us today is concerned, I understand this bill will not cost much more than \$500,000,000. The gentleman from North Carolina [Mr. COOLEY] yesterday, in answer to questions I propounded to him, made a statement to that effect. It is my understanding if this House bill becomes law no additional legislation will be needed so far as the present farm legislation is concerned.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I would like to find out from the Chairman of the Agricultural Committee, if he will tell us, what will be the cost of this bill? I think the country is entitled to know that.

Mr. JONES. I may say to the gentleman that the terms of this bill would require only the \$500,000,000 authorized under existing law. I would not like to say that is all that may be needed. That is all that is necessary to comply with the terms of this bill.

Mr. McCORMACK. The gentleman is always frank in giving information when he is possessed of it and I am



particularly pleased with that reply because while the gentleman does not state that tax legislation will not be necessary the inference to be drawn from his statement is that no additional tax legislation so far as expenditures connected with this bill are concerned will be necessary this year.

Mr. JONES. I may say to the gentleman further I will not commit myself that we may not need additional funds later if it is necessary to accomplish the purpose, but at this time that is all that is contemplated.

Mr. McCORMACK. I understand there are \$125,000,000 in customs receipts which could be utilized at least for a year or two.

[Here the gavel fell.]

Mr. SHORT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, 5 hours instead of 5 minutes would be required at least for me to point out the inequalities and the inequities of this monstrous measure. A rose smells the same whether it is called a rose or some other name. So does a polecat. So does this bill. Stripped of its mask, it is nothing more than a revival or an attempted revival of the old A. A. A. law. It is a deliberate and insidious attempt to circumvent an adverse decision of the Supreme Court of the United States.

This bill is not aimed for the farmers. It is aimed against our judiciary, which time will eventually prove. In view of the decision of the Supreme Court in the *Butler* case, which held that "a statutory plan to regulate and control agricultural production is a matter beyond the powers delegated to the Federal Government," the sponsors of this legislation must know that it is unconstitutional and the delegation of legislative power in this bill is similar to that in the case of *Carter* against *Carter Coal Co.*, which the Court held was obnoxious and unconstitutional. If Members of the House voted freely as their reason and conscience dictate, both this bill and the wage and hour bill would be defeated overwhelmingly. But horse trading has been forced and God pity the people.

Under the old A. A. A. law nearly one billion dollars of the consumers' money of this country were paid to farmers not to produce certain products. Those checks, Mr. Chairman, went to fewer than half the farmers of this country, and they varied in size from a million dollars, paid to large sugar corporations, and hundreds of thousands to large plantation owners, down to a few paltry dollars paid to the little man, sharecropper or tenant farmer. Certain sections of the country benefited at the expense of other sections. Certain classes and types of farmers were penalized in order to help other types and classes of farmers. This bill will now restore these inequities, laying down a different code of ethics and a different set of rules and regulations for various kinds of farmers. Artificial and arbitrary geographical barriers are set up and discriminations are made among the same kind of farmers. Rank injustice is the inevitable result.

Mr. Chairman, I first read this Delphian, diabolical, and demagogic proposal with a great deal of wonder and with not a little amusement. The second time I followed this monstrosity through the labyrinth of metaphysics it was like trying to solve a trigonometric equation. This was no doubt written by some brain-truster. The third time I read it with a grave sense of disappointment and danger for the future of our democracy, because, Mr. Chairman, this bill makes the omnivorous Secretary of Agriculture a czar, investing him with omnipotent virtue, power, and wisdom. Henceforth, it will be Great God Henry. Such unlimited and unwarranted grant of power to one man is without parallel and justification in the history of democratic government.

The President says he wants this bill passed in order to give the farmers increased prices for their products. That is a laudable purpose and would be fine for the farmers if they were not forced in advance to surrender all their freedom. Under the terms of this act the farmer becomes a slave to

the Department of Agriculture which issues bureaucratic orders from a centralized government in Washington. Jefferson once said, "Were we directed from Washington when to sow and when to reap, we should soon want for bread."

When I was a small boy I drove a pair of jennies to a little wagon. I remember going out into the field with an ear of corn in one hand in front of me and a halter in the other back of me. With the ear of corn I would induce and coax those little jennies to come and get a free bite. The grain was so tempting and they were so anxious to get a free bite they could not resist the temptation.

[Here the gavel fell.]

Mr. SHORT. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. BEVERLY M. VINCENT. Mr. Chairman, I object.

Mr. SHORT. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the *Record*.

The CHAIRMAN. The gentleman already has that right.

Mr. SHORT. Mr. Chairman, I am sorry that my friend from Kentucky objected to my proceeding for 3 minutes. Of course, I realize that he and many others on the other side of the aisle do not want to hear anyone speak in opposition to, or expose the fallacies and weaknesses of this ponderable proposition, which is a jargon of unintelligible words, but clear enough to place American agriculture in a strait jacket and to regiment the American farmer. Many gentlemen could not get time to speak on this Fascist scheme during the limited period of general debate and I suppose we should be content to get 5 minutes while reading the bill. However, there was no objection to our colleague from Massachusetts [Mr. McCORMACK] who preceded me and requested additional time, and I thought with an overwhelming Democratic majority in the House no one would object to a minority Member having 3 additional minutes. It would appear that some men fear to listen lest they become convinced. But back to the story of my experience with those jennies:

When they came up to get the corn, I put the halter on them and got them in the harness and hitched them to the wagon. We would start up the hill with a heavy load. As the collars rubbed their shoulders raw and the traces took the hair from their sides, I would throw the blacksnake in their flanks; and the ear of corn did not taste half so good on the hillside as it did down in the pasture.

The method of this patronizing, paternalistic New Deal government is the same as the method employed by every benevolent despotism from the Pharaohs of ancient Egypt down through the Caesars and Machiavelli to the present hour. This sugar-coated pill is a meretricious measure; it makes the Secretary of Agriculture a virtual dictator who holds out a sop to the people in order that he can put the halter on them to work them in the harness as he sees fit. He and his political Janizaries will crack the whip and the farmer will be forced to jump through the hoop. A vast army of political parasites will roam over this country to hound and harass farmers everywhere.

Whatever program of aid is offered to the farmer must leave him a free man instead of rendering him a serf, subject to the direct control of a bureau in Washington. The farmer always should remember that before he receives his Government check or any benefit, he must first surrender his liberty and submit to the arbitrary control of the Secretary of Agriculture and the Federal Government's OGPU. Whatever farmers in other sections of the country may think, the patriotic Americans in my district do not want these spies and snoopers riding around in automobiles at the taxpayers' expense regulating their lives and dictating their actions from distant Washington. This morning I received a letter from a prominent farmer, a constituent of mine, who lives at Pierce City, Mo. He said:

I own more than 700 acres here and I want you to oppose the farm bill both as a whole and each item separately. I believe



this bill to restrict the farmers will do untold damage to them and everyone else and will bring ruin just as the former farm legislation has done. I believe the Department of Agriculture has outgrown its usefulness and at least 90 percent of its activities should be abolished.

Another letter from a prominent farmer in my district, written to me last May, told me that he asked a neighboring farmer—

If he had seen the measure being proposed by Roosevelt and Wallace through the Farm Bureau for compulsory legislation? He said he had, and if such a law was passed he simply wanted the Government to take his farm and run it. I think that is the view of a vast majority of small farmers outside the Wheat Belt and the Cotton Belt. While many good Missouri farmers are willing to take the money (these patriotic sons of toil) so long as it means nothing more than voting the New Deal ticket, if you can find a means of polling them on this matter by simply asking them if they would want compulsory regulation or voluntary regulation 9 out of 10 of those who know their A B C's would be against such a measure, the farm bureau to the contrary notwithstanding. It would seem to me that here is a means of proving this organization a propaganda machine for the regulators.

These letters are typical of the many I have received from farmers all over my own district and from other farmers in many different sections of my State and the Nation. The American farmer is the most independent citizen in this Nation, and no individual prizes his liberty more highly. He does not want this act passed which would give the Secretary of Agriculture absolute authority to lay down rules and regulations and merely provide a means for showing favoritism and gaining control over the farmers while building up a gigantic political machine. Farmers may gain temporary benefits, but when they gradually sacrifice their liberties and work themselves into a position where the Government can tell them what to plant, when to plant it, how much they may sell and at what price, how many hours they may work, and God knows what else, they will awaken to the fact that they have sold their birthright for a mess of pottage. The American farmer realizes that this compulsory control bill could make Mr. Wallace a Mephistopheles, but the farmer refuses to play the role of Faust.

It is estimated that if this bill is enacted into law it will cost the Government \$750,000,000 annually; but no provision has been made to raise the revenue. Where is the money coming from? There can be only one answer: From the poor, forgotten man, by raising the prices which the consumer of farm products must pay. At the beginning of this fiscal year President Roosevelt estimated that the deficit would be \$418,000,000; later he raised it to nearly \$700,000,000, but already our deficit for this fiscal year, since June 30, is in excess of \$730,000,000, with 7 months to go. Here we are passing legislation promising money to certain classes of farmers who are willing to surrender their liberty for a handout, without making any provision for the revenue.

Mr. CHAIRMAN, it is as impossible to legislate prosperity as it is to legislate morality. Some things are beyond the control of Congress. One cannot successfully legislate against cyclones, floods, and droughts. One might as well shoot at the moon and stars. It might be well if Congress for a little while would just let the farmer alone until the fog lifts and the true picture becomes more plain.

Mr. PACE. Mr. Chairman, I ask unanimous consent that the committee amendment now pending may remain on the desk and action thereon be deferred until the cotton section of the bill is reached.

Mr. SNELL. I object, Mr. Chairman.

Mr. PACE. Mr. Chairman, I move to strike out the last two words.

Mr. CHAIRMAN, my request to defer action on the pending amendment is due to the fact that in my judgment the amendment is very revolutionary. It may work out all right; but if you gentlemen will read it, you will find it sets up under this bill an entirely new system of allotment from what we have been studying for the last 3 days. It puts upon the Secretary of Agriculture the task of going to every farmer and finding out what his cash proceeds

have been from all crops other than cotton. He must go to each farmer and find out what he has made from peanuts and what he has made from any other cash crop, and then he must fix the farmer's cotton allotment according to what the proceeds were from all his other crops. How the Secretary will be able to do this I do not understand. In frankness, since this amendment goes to the very heart of the farming interests in my district, I believe I am at least entitled to an opportunity to take this amendment to the Department of Agriculture and consult with its experts as to how it will operate on the people in my district. This is all I ask of the gentleman from New York, who objected to my request, and it is all I ask of the chairman of the Committee on Agriculture, that I at least have an opportunity to take to those who can advise me an amendment which changes the entire system in the bill, so I may find out what effect the amendment will have on the people I am trying to represent here at this hour.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. CHAIRMAN, the trouble with the gentleman from Georgia is that in the part of Georgia which he represents the farmers are planting peanuts and raising lots of hogs as their major farm products, and now he wants to take away from real cotton farmers a portion of their equitable allotment of acres for cotton. The amendment simply states that where farmers are engaged in growing other products, and the total amount of cash received therefrom exceeds the amount of cash received for their cotton and cottonseed, which are their major farm products, they will be allotted as much cotton acreage. If this amendment is voted down, I am sorry for the rest of Georgia, where they plant cotton and do not plant all these other major products. This amendment is intended to help the average cotton farmer. If you are going to give farmers in south Georgia just as much cotton as you give the cotton farmer who does not plant peanuts and raise hogs and other major products, then vote down the amendment. The farmers of the gentleman's district are making thousands of dollars out of these other major crops, which are produced on perhaps 75 percent of the total amount of their tilled land, whereas the real cotton farmer produces, as his major farm product, cotton.

I hope the Committee will vote the amendment up.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer an amendment.

Mr. CHAIRMAN, I ask unanimous consent that all the amendments which I am about to offer may be considered at the same time. They are corrective amendments suggested by the Department of Agriculture.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the three amendments he is now about to propose may be considered at the same time.

Mr. WHITTINGTON. Mr. Chairman, reserving the right to object, let us have the amendments read first.

The Clerk read as follows:

Amendments offered by Mr. FLANNAGAN: On page 4, line 20, strike out the word "tobacco"; line 25, strike out the word "tobacco." Page 7, strike out all of lines 22, 23, 24, and 25. Page 8, strike out all of lines 1, 2, and 3. Page 8, line 11, strike out the word "tobacco."

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia that the amendments be considered at the same time?

There was no objection.

Mr. FLANNAGAN. Mr. Chairman, I should like to say a few words in explanation of these amendments.

The object of the amendments is to make the first section of the bill, amending the Soil Conservation Act, harmonize with the tobacco section. Tobacco is on a poundage basis. These corrections are made only for the purpose of making this part of the bill harmonize with our tobacco section.



Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. As I understand the amendments, you are striking out the word "tobacco."

Mr. FLANNAGAN. Yes.

Mr. ANDRESEN of Minnesota. If you strike out the word "tobacco" you eliminate tobacco from these sections of the bill, and from the same kind of treatment which is given to the other commodities covered by the Soil Conservation Act. If you want tobacco to have this treatment or if you want preference for it, that is another proposition.

Mr. FLANNAGAN. We are not trying to obtain any preference. Under these amendments the tobacco grower will go along under the Soil Conservation Act as at present. We are not changing it in any respect.

Mr. ANDRESEN of Minnesota. May I ask the gentleman when it was discovered that this provision did not harmonize?

Mr. FLANNAGAN. The Department of Agriculture sent the amendments over to me yesterday. I took the amendments up with the chairman of the Committee on Agriculture and many of the Members interested in tobacco, and also with our legislative counsel. They all agree the amendments should be adopted.

Mr. ANDRESEN of Minnesota. I have no objection to the amendments being adopted, because, relying on the wisdom of my good and distinguished friend from Virginia, I know it is all right.

Mr. FLANNAGAN. I thank the gentleman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Virginia.

The amendments were agreed to.

Mr. HOPE. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HOPE: On page 8, line 20, before the word "or", insert "plant disease."

Mr. HOPE. Mr. Chairman, in explanation of this amendment, I may say that this is the subsection which contains the formula for determining normal yield per acre, and there is a provision to the effect that under certain conditions, by reason of drought, flood, insect pests, or other uncontrollable, natural causes, a year may be omitted in determining this normal yield. This simply includes plant diseases as one of the causes for eliminating a year in a term of years in determining the average normal yield.

The committee amendment was agreed to.

Mr. BOILEAU. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: On page 9, line 4, strike out the period, insert a comma and the following: "And (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be permanently used for grazing purposes only) shall be further conditioned upon the utilization of the land, with respect to which such payment is made, so that soil-building and soil-conserving crops planted or produced on lands normally used for the production of cotton, wheat, rice, tobacco, or field corn shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market. As used in this subsection, the term 'for market' means for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to poultry or livestock which, or the products of which, are to be sold, bartered, exchanged, or given away; and such term shall not include consumption on the farm. An agricultural commodity shall be deemed consumed on the farm if consumed by the farmer's family, employees, or household, or by his work stock; or if fed to poultry or livestock on his farm and such poultry or livestock, or the products thereof, are to be consumed by his family, employees, or household."

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent that my time may be extended 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOILEAU. Mr. Chairman, the Members of the House, I am quite sure, are familiar with this amendment.

It has been the subject of considerable discussion during general debate.

Day before yesterday I had the privilege of addressing the House and at that time put forth such arguments as I was able to make in behalf of the adoption of this amendment. Other Members of the House during their remarks have referred to the so-called Boileau amendment. I am sure some of you have received some communications from people, particularly in the dairy industry, who are interested in this particular amendment, and I wish to state that this is the amendment that has been referred to in the debate.

The simple purport of the amendment is that if we are to pay these subsidies to any sections of the country to control the production of certain commodities in certain sections of the country, if we are to pay a Federal subsidy to producers in the cotton, wheat, corn, rice, and tobacco sections for reducing their production of such commodities, then we should provide that the lands they take out of the production of those commodities shall not be used for the purpose of producing other agricultural commodities for the market.

This is not an amendment designed to help the dairy industry or to help other farmers; it is merely an amendment that is designed for the purpose of protecting the dairy industry as well as all other agricultural industries that are not singled out in this bill for special favor.

There is a large area out in the Middle West that probably should never have been plowed under. With reference to those lands that are primarily suited for grazing purposes, the amendment permits such lands to be placed into grazing lands and permits the grazing of livestock on such lands, if the Secretary of Agriculture determines that the lands are primarily suited for permanent grazing purposes and that the land should never have been put into cultivation. So the amendment is not vulnerable from that standpoint.

Then, too, the amendment provides that these lands upon which benefit payments are being and will be made under the Soil Conservation Act can be used for the production of cover crops, for summer fallowing, and for other practices that increase the fertility and preserve the fertility of the soil, or for real, honest-to-goodness, and true soil conservation. The amendment permits such use of the land and then, in addition to that, the amendment permits the use of these lands for the growing and harvesting of feed for the farmer's horses and mules. In other words, his work stock can be fed from the crops produced on these particular lands. So that there is a use that can be made of the crops grown on such lands.

The amendment also provides that the farmer can feed livestock either by harvesting the crop or by letting his livestock graze upon such lands, provided such livestock and the products thereof are consumed on the farm by the farmer and his household. This is a liberal use of such lands. Certainly there are hundreds of thousands of people on these farms, especially in the South, who have not had a proper diet, who have not had a proper standard of living, and this amendment will enable them to improve their standard of living so that there is a reasonable use that can be made of these lands, but we submit, and I believe we have proven to you by the figures we have quoted during this debate and which I have not the time now to repeat, unless we have this protection there will be 40,000,000 or 50,000,000 acres of land in this country, normally used for the production of cotton and wheat and tobacco and rice and corn, that will be diverted from those uses and used for the purpose of feeding livestock, and particularly dairy cattle. These livestock products and livestock will be placed upon the market in competition with a larger part of the agricultural industry, namely, the livestock and dairy industry, and will demoralize the prices of these commodities, and I submit that without the protection afforded to the farmers who are not within the pale of this bill, we will do more harm to the livestock and dairy interests and to the producers of the other crops not among the five mentioned in the bill than you will do good to the farmers who get this money.



I may say to you further that unless we have this protection I can visualize that within the next year or two there will be a tremendous increase in dairying in the South. I say to you that down in the great State of Mississippi there will undoubtedly be an increase in dairy products. I see my distinguished friend, the gentleman from Mississippi [Mr. RANKIN] here, who, when this proposition was up before when we were considering the soil conservation and domestic allotment plan, made a very bitter attack against a similar amendment.

Unless we have this protection there will be an increase in dairying in his State and in the entire South. I do not object to an increase in dairying in his State of Mississippi or in any other State, provided that increase is brought about without Federal subsidy. I submit that this bill without this amendment will subsidize the dairy industry in the South.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. MARTIN of Colorado. I wish to clarify what the effect of the gentleman's amendment will be upon the status of the land which will be repurchased by the Government in that western area.

Mr. BOILEAU. Oh, my time is so short that it will take too much time to go into that subject.

Mr. MARTIN of Colorado. My vote may depend upon the answer the gentleman makes to that question.

Mr. BOILEAU. Very well. I shall try to get some more time. Will the gentleman please restate his question?

Mr. MARTIN of Colorado. I just asked the gentleman what will be the status under his amendment of the land which is now being repurchased by the Government out in the drought area in the West, to be turned back to Nature, and, of course, which will be used for grazing purposes.

Mr. BOILEAU. That does not come under the soil-conservation program. This only prohibits the use of lands that are paid for out of this bill, out of this soil-conserving program, so this amendment will not affect those lands at all.

Mr. MARTIN of Colorado. That is a satisfactory answer.

Mr. BOILEAU. Mr. Chairman, some say that there is not much danger of dairying increasing in the South. I submit that last year the gentleman from Mississippi [Mr. RANKIN] tried to give the impression that if you make cotton profitable in the South we would not have to worry about dairying. I presume that he would admit that to be the fact and believes that to be the situation.

Mr. RANKIN. The gentleman is not trying to quote me as making any such statement?

Mr. BOILEAU. No; but I understood the gentleman to make that statement last year.

Mr. RANKIN. Oh, no; I did not. I said that you have driven us to dairying by impoverishing the cotton growers, and you cannot take it away from us.

Mr. BOILEAU. We are willing to help you farmers, but does not the gentleman admit that by the enactment of this bill you would be required to take 40 percent of your land out of cotton production, and that you will then go further into dairying?

Mr. RANKIN. I will answer the gentleman in my own time.

Mr. BOILEAU. Does the gentleman admit that statement?

Mr. RANKIN. No.

Mr. BOILEAU. Mr. Chairman, I want to refer to a telegram which I received this morning, unsolicited on my part, which I think proves what I have said. I received this telegram from a farmer in Mississippi. I do not know the gentleman. Perhaps the gentleman from Mississippi may know him—Gaston Ferrell?

Mr. RANKIN. Yes.

Mr. BOILEAU. And I wish to say to the gentleman that he must have some other people on his farm.

Mr. RANKIN. Oh, yes; he is a cotton buyer.

Mr. BOILEAU. I have a telegram from him.

Mr. RANKIN. He invariably telegraphs up here when any legislation of this kind is under consideration.

Mr. BOILEAU. This is the first time that I ever heard from him. I will read the telegram which came to me this morning, unsolicited, because it shows what will happen down there if we pass this bill. I do not know the gentleman, I know nothing about him, but I do know that he confirms the fears that every dairyman in this country has at the present time. His telegram reads as follows:

My family owns and operates about 5,000 acres of farm land, cotton being our main crop. Any restrictions by Congress in growing cotton will force us into dairying, and where we now sell milk from 25 cows, it will increase to 150, thereby coming into competition with dairying in your State and section. Hope you can defeat all this crazy farm legislation. Farmers favor crop reductions only for the doles they have been getting.

GASTON FERRELL, Farmer.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes more.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed for 3 minutes. Is there objection?

Mr. RANKIN. Mr. Chairman, I reserve the right to object.

Mr. BOILEAU. Oh, let the gentleman object if he wants to.

Mr. RANKIN. I am not going to object.

Mr. BOILEAU. Mr. Chairman, I demand the regular order. I ask unanimous consent to proceed for 3 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. Yes; now I shall be glad to yield.

Mr. RANKIN. The gentleman from Wisconsin is very easily frightened if a man with 5,000 acres in cultivation admits that after 10 years he has only 25 milk cows on his farm.

Mr. BOILEAU. All right, but by an amendment we just accepted, introduced as a committee amendment, but sponsored by the gentleman from South Carolina [Mr. FULMER], we provided that not more than 60 percent of any farmer's tilled acreage can go into cotton. That is the amendment we just adopted. If he has 5,000 acres, and all of that was used for cotton before, as he says most of it was, and he had only 25 dairy cows, that means that 40 percent of 5,000, or 2,000 acres of that land that was formerly used largely for cotton will go into dairying production, and that is a larger acreage than the total acreage of 20 average-sized dairy farms in my State.

You have increased the production of butter, cheese, and milk in the South. Your cow population has increased. As a result of the amendment we adopted a moment ago you will increase your dairy operations more and more. Are you not satisfied down there to get your 2.4 cents a pound benefit payment on cotton under the soil-conservation program? Are you not satisfied to get an additional 3 cents that will be paid next year on the basis of what you produced last year, making a total of 5.4 cents a pound to be paid in 1938? Are you not satisfied with the prospects of getting even more under this bill, if we appropriate any more money for this program? Are you not satisfied with all that, without wanting to compete with us? Why do you not give us at least a chance to survive? Why do you not give us a chance to live?

I appeal to the fairness of the Members of this House to adopt this amendment. I appeal to the fairness of the Members of this House to give other farmers than those producing these five commodities a decent break, at least. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I appreciate the circumstances and the argument of my good friend and fellow worker from Wisconsin [Mr. BOILEAU]; but, as a matter of fact, when you really analyze this proposition, I regard his amendment as going entirely too far.

In the first place, it is an interesting thing to note that in both the wheat and cotton sections dairying increased its production during the years just before we had the farm bill and had this adjustment program. I know a great many in my section went into the dairying business because the farm prices were so low that they were compelled to do anything to get a little money. As soon as prices were better I heard man after man say, "I am going to sell those cows and make my living in other ways." A man who had just a very few cows and was bound down, could not make his general living from it, and a great many of them went into an entirely different business. Dairy production was increasing rapidly in the South during the years 1927 to 1932. It was increasing in the West; but now what are the cold facts? Since the farm program went into effect in 1933, here are the figures taken from the Census Department showing that dairy production was reduced in the Wheat Belt and it was reduced in the Cotton Belt. If I had the time I would give you the tables here. As a matter of fact, they went into the dairy business because they were driven into it by the low prices.

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield for a question.

Mr. REILLY. At the time the wheat man and the cotton man went out of the dairy business they were permitted to plant unlimited cotton and wheat. Is that not true?

Mr. JONES. No, they were not permitted. Under the old A. A. A. program we had a reduction. We plowed up great amounts of cotton. As a matter of fact, we had practically as much reduction as is contemplated in this particular bill.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. JONES. Mr. Chairman, I want to ask unanimous consent to proceed for five additional minutes when my time has expired.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield.

Mr. BOILEAU. Did I understand the gentleman to say the cow population has decreased since this act went into effect?

Mr. JONES. I would not want to make the assertion that it has in the whole South, but I believe it has. However, I am saying that the amount of dairy production has gone down in the South as a whole, between the years 1933 and 1937. It has gone down in the West, in the Wheat Belt, and it has increased in the gentleman's section.

Mr. BOILEAU. Will the gentleman permit me to say that on Tuesday I made a speech on this question, and I quoted figures from Department of Agriculture statistics that showed that in 1937 there was an increase in cow population—dairy cow population of the South over 1932, the year before this program went into effect. There was an increase.

Mr. JONES. There was an increase when?

Mr. BOILEAU. In 1937, over 1932.

Mr. JONES. I will put the whole table in the RECORD, and I will read the gentleman's statement.

The table referred to is as follows:

Estimated production of milk on farms, by States, 1929-37<sup>1</sup>  
[Preliminary data, subject to revision]

State and division	Milk production <sup>2</sup>								
	1929	1930	1931	1932	1933	1934 <sup>3</sup>	1935 <sup>3</sup>	1936 <sup>3</sup>	1937 <sup>4</sup>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Maine.....	624	656	649	647	651	635	632	626	.....
New Hampshire.....	360	372	374	372	380	380	378	372	.....
Vermont.....	1,222	1,291	1,336	1,320	1,305	1,284	1,341	1,377	.....
Massachusetts.....	746	749	740	719	722	747	773	782	.....
Rhode Island.....	128	133	132	132	132	128	132	135	.....
Connecticut.....	562	583	597	623	638	616	623	647	.....
New York.....	6,973	7,068	7,367	7,340	7,297	6,983	6,956	7,188	.....
New Jersey.....	712	699	705	684	714	819	845	862	.....
Pennsylvania.....	4,242	4,322	4,439	4,367	4,299	4,356	4,498	4,550	.....
North Atlantic.....	15,569	15,873	16,339	16,204	16,138	15,948	16,178	16,539	17,120
Ohio.....	4,038	4,027	4,124	4,077	4,318	4,301	4,364	4,464	.....
Indiana.....	2,975	2,905	3,024	3,041	3,104	3,048	3,049	3,058	.....
Illinois.....	4,463	4,650	4,673	4,754	5,096	5,081	4,873	4,849	.....
Michigan.....	4,028	4,014	4,165	4,192	4,272	4,224	4,257	4,465	.....
Wisconsin.....	11,056	11,207	11,305	10,992	10,851	10,659	10,921	11,598	.....
East North Central.....	26,580	26,803	27,291	27,056	27,641	27,313	27,464	28,434	28,580
Minnesota.....	7,474	7,590	7,727	7,810	8,166	7,482	7,384	7,745	.....
Iowa.....	5,869	5,927	5,948	6,046	6,287	6,150	6,009	6,133	.....
Missouri.....	3,319	3,471	3,628	3,582	3,593	3,371	3,422	3,130	.....
North Dakota.....	2,075	2,162	2,268	2,258	2,278	1,968	1,973	2,020	.....
South Dakota.....	2,132	2,208	2,180	2,005	2,118	1,668	1,632	1,715	.....
Nebraska.....	2,669	2,806	2,808	2,755	3,142	2,929	2,697	2,639	.....
Kansas.....	2,977	3,058	3,215	3,268	3,456	3,238	3,108	2,930	.....
West North Central.....	26,515	27,222	27,774	27,724	29,040	26,806	26,225	26,312	25,650
Delaware.....	130	124	130	130	129	125	130	134	.....
Maryland.....	783	752	770	765	764	769	772	784	.....
Virginia.....	1,338	1,202	1,302	1,280	1,248	1,332	1,362	1,334	.....
West Virginia.....	752	727	760	748	784	806	845	821	.....
North Carolina.....	1,078	1,052	1,088	1,113	1,232	1,252	1,270	1,332	.....
South Carolina.....	466	464	479	486	564	542	548	571	.....
Georgia.....	1,011	1,004	1,002	1,010	1,077	1,109	1,086	1,090	.....
Florida.....	234	221	235	238	285	274	278	293	.....
South Atlantic.....	5,792	5,546	5,766	5,770	6,083	6,209	6,291	6,351	6,700
Kentucky.....	1,882	1,748	1,777	1,796	1,911	1,904	1,946	1,845	.....
Tennessee.....	1,627	1,592	1,607	1,607	1,679	1,712	1,766	1,750	.....
Alabama.....	1,098	1,079	1,100	1,152	1,170	1,226	1,244	1,247	.....
Mississippi.....	1,172	1,212	1,287	1,326	1,300	1,338	1,324	1,347	.....
Arkansas.....	1,146	1,092	1,167	1,218	1,254	1,236	1,224	1,235	.....
Louisiana.....	539	513	526	544	575	594	578	588	.....

<sup>1</sup> The data for 1929-31 are from the 1933 Yearbook of Agriculture, table 378, p. 637; 1932 from the 1935 Yearbook of Agriculture, table 387, p. 601; and 1933 from the 1937 Agricultural Statistics, table 407, p. 299.

<sup>2</sup> Excluding milk spilled or wasted on farms and milk sucked by calves.

<sup>3</sup> Preliminary.

<sup>4</sup> Indicated as of Nov. 1, 1937.

Bureau of Agricultural Economics.



Estimated production of milk on farms, by States, 1929-37—Continued

State and division	Milk production								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Oklahoma	2,234	2,217	2,342	2,450	2,506	2,286	2,275	2,186	2,186
Texas	3,707	3,655	3,858	4,010	3,999	3,788	3,741	4,011	4,011
South Central	13,405	13,108	13,664	14,103	14,394	14,004	14,098	14,209	14,850
Montana	783	793	737	730	762	731	693	649	649
Idaho	932	1,000	1,010	1,012	1,056	1,004	975	996	996
Wyoming	295	282	275	262	284	265	263	272	272
Colorado	1,094	1,086	1,062	1,004	1,092	1,037	919	1,003	1,003
New Mexico	221	221	224	221	217	219	231	247	247
Arizona	187	194	195	195	204	225	224	228	228
Utah	576	575	578	567	570	518	494	509	509
Nevada	110	116	108	102	99	103	106	108	108
Washington	1,590	1,663	1,670	1,676	1,685	1,798	1,884	1,921	1,921
Oregon	1,199	1,265	1,291	1,284	1,290	1,323	1,329	1,333	1,333
California	3,934	3,989	3,986	3,953	4,167	4,025	4,047	4,064	4,064
Western	10,921	11,184	11,136	11,006	11,426	11,248	11,165	11,330	11,500
United States	99,736	99,705	101,970	101,863	104,722	101,528	101,421	103,183	104,400

Mr. BOILEAU. Will the gentleman permit me to just finish?

Mr. JONES. Yes; but I hope the gentleman will not take up all of my time.

Mr. BOILEAU. Insofar as the production of cheese is concerned, that is the manufactured commodity we are interested in. In the period 1932 to 1935, the latest available figures, there was an increase of 80 percent in the South, 76 percent in Texas, and only a 13-percent increase in Wisconsin. During the time of increased dairy-cow population in the South it decreased in Wisconsin. Those figures are in the RECORD.

Mr. JONES. As a matter of fact, I have the total milk production. Of course, one commodity may have gone up in one State and down in another.

Mr. BOILEAU. That is it.

Mr. JONES. But I have the total milk production, which is all products, and that is what all the other products have to be made from. You get the actual test in the total milk production. The total milk production in these areas decreased in the periods and the total milk production increased in the other areas.

Mr. BOILEAU. Will the gentleman permit me to make one further interruption?

Mr. JONES. I hope the gentleman will not insist on it. I am going to put these figures in the RECORD. The gentleman admits that cheese comes from milk. This is the total milk production by States and by regions. I am going to put it into the RECORD. It shows that in the North Atlantic region there was an increase from 16,000,000 pounds to 17,120,000 pounds between 1933 and 1937.

In the East and North Central section, which includes some of the wheat and corn States, there was an increase in milk production, but in the States of Minnesota, Iowa, Missouri, Nebraska, Kansas, and North Dakota the production of milk decreased from 29,000,000 pounds to 25,000,000 pounds. Those are the wheat States. In the Southern States the total milk production decreased from 14,394,000 pounds to 14,209,000 pounds. One or two of the Southern States might have shown an increase; I do not remember the figures in detail, but in that area there was a decrease. That is the test of whether they are going into the dairy business. The figures do not bear out the gentleman's contention.

Let me now call attention to another important feature. In many States of the South, especially of the Old South there is the custom that when crops are out, the stock is turned into the field for from 15 to 30 days and allowed to graze. If this amendment were adopted the only way they could comply with the program would be to fence that field off and not allow a cow or a chicken to get onto that property.

If they did they could not collect their payment. They would have to fence it off completely. To require that payments be withdrawn simply because two chickens or two cows happened to get over onto that land inadvertently seems to me is out of the question. It seems to me that under this amendment you would have the greatest difficulty in getting a payment beyond the Comptroller.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. HOPE. That situation would apply on every farm in every State that came under the soil-conservation program, would it not?

Mr. JONES. Yes.

Mr. HOPE. It would affect the South, the West, and would apply to the gentleman's own State of Wisconsin.

Mr. JONES. Yes. I think the amendment as worded would make the bill practically unworkable.

I think the gentleman is in error. I do not believe he stated it, but I have heard it stated that we have done nothing for the dairy industry. The fact of the matter is we have done a good many things for the dairy people. In the last 3 years they have purchased through funds under section 32 and other surplus funds \$28,000,000 worth of dairy products for distribution. We have spent about \$30,000,000 during that period to eliminate tuberculosis and Bangs disease in cattle. Then there was the cattle purchase program. I said people in the South were going out of the dairy business or people in my section were going out of the dairy business. According to the estimates, in the southwestern area about one-third of the cattle purchased were cows. They wanted to get rid of those dairy cattle.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. REED of New York. The gentleman referred to the appropriation for the elimination of bovine tuberculosis. I call the gentleman's attention to this because I know how eminently fair he always wants to be in these matters, but the fact is that while there is such an appropriation the dairy farmers, in many instances, were ruined because of the regulations. Whole herds, built up after years of care, high-blooded stock, infected with tuberculosis were destroyed, but the owner did not receive the full value of his stock.

Mr. JONES. I could not, of course, answer as to that. I know provisions were made and they were made as health and sanitary measures.

Mr. Chairman, I want to call attention to another matter. I have supported the dairy legislation all through; I have supported some legislation that seemed hardly fair to my section. The dairy group have the advantage of a tax on oleomargarine, a product made from cottonseed oil, a domestic product. Unquestionably I am in favor of a tax on foreign oils that come in here, but the dairy interests enjoy a pretty steep tax on domestic oil. The dairymen have protection even against a wholesome native commodity. They enjoy many other benefits. I hope that this extreme amendment at least will not be adopted.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. WHITTINGTON. Is it not also the fact that under the rules and regulations of the Department of Agriculture in the last 4 years the dairying industry has been protected, protected by the rules promulgated by that Department?

Mr. JONES. I have so understood.

In actual practice they require practically all of these plantings to be either kept on the land or turned under as cover crops; and I do not think it is or would be serious in its interference with the dairy business. It certainly ought not to be so that a farmer could not get his payment through the comptroller's office simply because a chicken or two, or a cow or two grazed on such land. I think this sort of provision is entirely too extreme and I think the House should oppose it.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. SNELL. As I understand the provisions of this bill it is to pay the farmers for taking a part of their land out of the production of certain farm crops. Is that correct?

Mr. JONES. It is to build up a soil-conserving program.

Mr. SNELL. But that is the ultimate effect.

Mr. JONES. That is the ultimate effect, to reduce the production of certain soil-depleting crops.

Mr. SNELL. If that be the purpose of the bill, the protecting the land from depletion through excessive growing of certain crops, why does the gentleman object to placing in the bill a provision that such land should not be used to produce competitive products? Now, that is a principle I cannot understand.

Mr. JONES. That is not covered by this amendment.

Mr. SNELL. That is the principal purpose of the amendment.

Mr. JONES. They have forbidden them in the regulations from producing other soil-depleting crops of a competitive nature. They do that in the regulations. I would not oppose a provision that would forbid their harvesting for sale other crops on this particular land, but this amendment goes much further than that.

Mr. SNELL. Why do you not put a limitation on it?

Mr. JONES. It would make the whole program impossible.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment was debated the other day, but there was one phase of the amendment that was not mentioned.

It seems rather curious to me that certain people will at one time or another criticize the fact that in this country crops were plowed under and then come before this House and ask us to vote for a provision to plow crops under. That is what this provision asks you to do. This amendment will make it mandatory for the farmer to plow under grasses and legumes that would be fed to cows which will produce milk for the children of this Nation.

Let us see how fallacious is the argument on the question of competing with the dairy industry. We all know that

some of the processed feed used in dairying includes cottonseed, bran, middlings, and corn. When you divert millions of acres of corn, wheat, and cotton to grasses and legumes you are thereby reducing the amount of processed feeds that the farmer has to buy and lessen the cost of milk to the consumer. The only thing we can do then is to increase the grasses and legumes. Therefore, the only people that will be hindered by the adoption of this amendment would be the manufacturers of processed feed. That is the monopoly that is milking the dairy farmer and increasing the cost of milk.

Mr. Chairman, when they tell you that this provision will not affect the grazing situation in the West, I doubt that very seriously. You will remember that throughout the West there were Indian lands leased from the United States Government and the men who leased those lands from the United States Government received subsidy payments under the Soil Conservation Act.

If lands in the West are leased from the United States Government and are used for grazing purposes, they will be subject to the Soil Conservation Act and it will affect grazing in the West. It will stop you people in the West from receiving payments under this act. I say it will affect the dairy farmers themselves. They will not be able to raise chickens and allow them to go over to another part of the field to feed if that chicken is to be sold on the market. The amendment is impossible of administration.

Mr. Chairman, it was stated here that I have no interest in dairying because of the fact my district covers jack pines and iron-ore mines, but may I say that I have in my district one of the largest cheese plants in this country. Some of the finest, most conscientious people in my district are farmers and dairymen. I have a cheese factory in my district that produces more of the foreign makes of cheese than any other factory in this country. I do not believe that any law should be put into operation based on sectionalism or as the result of a fight against some section. I believe the people of this Nation are entitled to all the milk they can consume.

[Here the gavel fell.]

Mr. HOOK. I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Chairman, the National Federal Cooperative Dairy Association met in Baltimore November 1 to 3 this year, and it is very worthy to note that they reported a great underconsumption of milk in this Nation. I agree with them. When there are little children going to school in this country undernourished and developing rickets it is up to us to increase the consumption of milk. I shall offer an amendment to that effect. We should not decrease the consumption of milk but should increase the consumption to such an extent that every child of this Nation would be given the chance to have 1 quart of milk per day so that the sanitariums of this Nation will not be filled with people brought there by the fact that they have been undernourished during their school days. For God's sake let us look to the health of our children instead of being dollar chasers. This amendment is for the purpose of chasing the almighty dollar and will be detrimental to the health of our people.

[Here the gavel fell.]

Mr. HULL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am much interested in the discussion on this amendment from the standpoint of the estimable chairman of the Agricultural Committee. It seems to me that this amendment is right. It should be adopted and I think there should be some better reason for not adopting it than the mere statement that some cow in Texas or somewhere else may stray off of a cotton plantation on to land which is put into legumes.

It is only fair that we people of the northwestern dairy section in particular shall not be injured by the operation of this law. We will be called upon to help pay whatever



national tax is levied in order that these five special commodities may benefit.

Wisconsin is in a peculiar situation regarding dairy products, a little different, perhaps, than the district represented by the gentleman from Michigan. We are much more extensively engaged in that business. I do not know how many cows he has over across the line that produce milk for that foreign cheese factory referred to by him, but I doubt very much if there are enough cows in his district to feed half the calves in mine. We have 10 percent of all the cows in the United States in Wisconsin and 70 percent of our products goes to market in processed form. So it is not a matter of whole milk, it is not a matter of regulation, such as has been adopted in the milk sheds of this country, it is a matter of protecting that section of the country, which produces 45 percent of all the butter and 70 percent of all the cheese from unfair competition that may arise, unless the amendment offered by the gentleman from Wisconsin is adopted.

We of Wisconsin are large purchasers of feedstuffs for dairy cows. We spend vast sums of money for the products of other States in order to maintain our herds. We raise little wheat in Wisconsin; less than half a million bushels. On the other hand, we spend 10, 15, or 20 percent of our entire dairy income in purchasing feedstuffs from other States. Whenever you increase the cost of such feedstuffs to us, whenever you open up new sections of the country to the dairying business, you are threatening our industry because of possible overproduction at certain seasons of the year, and in this measure you are also increasing the cost of the dairy commodities which we manufacture and ship to various centers of this country.

Therefore this amendment should be adopted. There is no reason why it should not be adopted. Unless it is adopted, the growers of these five commodities, who will be benefited by this bill, are not only going to tax us, although we shall receive no benefits from it, but they are going to put themselves by means of a Federal subsidy in competition with, and in opposition to, our leading and our great dairy industry.

Mr. Chairman, I hope the amendment will be adopted. [Applause.]

Recently the President said that Congress should view all legislation from a national standpoint. He further advised that legislation should be enacted with care and deliberation. And now Congress is engaged in the enactment of a sectional farm bill whose main purpose is to affect only five farm products, produced in quantity in less than half the States by less than half the farmers, and whose aggregate worth in prices which the bill is supposed to affect is less than one-third the total value of farm production. After months of discussion and weeks of preparation it comes before the House with limited time for debate, largely assigned to committee members who among themselves are not in accord as to what the measure should be in terms, what its scope will be if it is enacted, what its cost to the taxpayers will amount to, nor what will be its effects upon agriculture in general upon the Nation as a whole.

Ever since the years following the World War the serious situation as to agriculture has been recognized. As that condition became still more acute because of credit restrictions imposed by the Federal reserve banks, various remedies by legislation have been suggested, and some of them have been tried. After 15 years of such endeavors, farm indebtedness remains at the peak, the farmer's share of the national income is at a lower percentage, and the number of tenant farmers steadily increases.

In that same period over 1,000,000 family-sized farms have been lost to their owners by foreclosure, from 5,000,000 to 7,000,000 people have moved from farms to industrial centers, augmenting the number of unemployed during the depression, crowding city housing facilities, while vacant farms were added to by thousands. In that same era, the Federal Government has expended more than \$4,000,000,000 on various farm-relief plans, still has hundreds of millions so

invested, and under present plans will continue to legislate and spend along the same lines.

While this situation continues to develop, and after farm values have fallen by forty billions, an amount greater than the total valuation of all the railways in the country, our expenditures for the development of farming lands in foreign countries are greater by far than our farm debt amounts to. While our country has been reducing its cultivated acreage by some 40,000,000 acres, new acreage has been brought under plow in other countries to the extent of more than 100,000,000 acres, and competition of foreign farmers with our own continues to fix prices on nearly all that we produce. During the present year more than \$800,000,000 of foreign farm products have been brought in to compete with products of our own farms.

The present farm bills would apply Government policy and financial aid to the growing of five products which are specified. They would reduce their crop acreage by another 40,000,000 acres. The program would provide no aid for dairy farmers, poultry farmers, growers of cannery products, small fruits or vegetables. In fact, it would subsidize farmers now engaged in producing corn, cotton, wheat, rice, and tobacco by limiting their acreage of such crops to engage in the raising of other crops and would in particular subsidize the cotton and corn farmers to engage in dairying, stock raising, and poultry production.

There is nothing in either Senate or House bill which would restrict the flow of foreign dairy products and other farm products into our markets. There is nothing in either measure which would restrict the negotiation of further reciprocal trade treaties with foreign countries which are so constantly seeking greater outlets for their surplus farm products. Nor is any attempt made in the original bills to cure the troubles which have come to farmers through the loss of their markets in our own country. That competition which had aided in the development of agriculture in foreign lands, particularly dairying, will not be interfered with by the passage of either measure now before Congress. It will be offset to only a very small degree by the soil-conservation payments which it is proposed to continue.

The cost of this new program is not carefully estimated. The President insists that if it shall exceed the \$500,000,000 authorized by Congress for soil conservation, new revenues from process or sales taxes on the farm products must be levied. On a per capita basis, an expenditure of a half billion would amount to \$4 for each inhabitant. On that basis, Wisconsin would pay \$12,000,000. Last year, 167,000 Wisconsin farmers received \$10,000,000 on their soil-erosion contracts, an average of a little less than \$60 to each farm. Iowa, with about the same number of farms, received \$25,000,000, or more than \$120 per farm. With subsidies added for corn, cotton, wheat, rice, and tobacco, few if any Wisconsin farmers will receive more than they now obtain from the soil-conservation program. Probably they will receive even less. Were a process tax of 20 cents to be levied on wheat, it would amount to about \$2,000,000 to the cost of flour for Wisconsin alone, as Wisconsin produces less wheat than needed for its people.

There is the threat that Wisconsin dairymen and poultrymen find further competition with their products as cotton and corn lands in other States are turned into other uses, dairying in particular already being in the way of great development in the Southern States. In effect, the program would subsidize southern farmers by direct payments from the Federal Treasury to engage still more extensively in dairying, their products going into the same eastern markets in which the dairy prices for the Nation are fixed.

This new farm program is both special and sectional. It would tax all farmers as well as all consumers for the benefit of those who grow corn, cotton, wheat, rice, and tobacco. It would leave untouched and unsolved the difficulties of farmers in more than half the States who produce little or none of either. It would also leave unsolved the problem of northern dairymen, who are of larger number than those growing cotton, in meeting the competition which comes of



the surplus dairy production of Canada, Denmark, Netherlands, New Zealand, and Australia, all countries of far cheaper production than our own. Those countries now have an exportable surplus of more cheese than and half as much butter as is produced in our own country. It leaves the question of giving all American farmers their home markets at cost of production for their products. No matter what program Congress may decide upon in considering these measures, the farm problem will continue unsolved as long as we continue to encourage production in other lands by permitting entry of their products, no matter how we limit or restrict production of a few farm products in our own land.

Mr. REED of New York. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I come from a congressional district which is one of the very fine dairy sections of the United States, three counties in which the chief agricultural industry is the dairying business.

The unfortunate thing about this proposed legislation is that there are many men on the floor of the House who are not familiar with the intricacies of the dairy business. Our dairy section has been built up through long years of study and toil. Few men on the floor of the House realize the extent of the investment in land, in barns, in machinery, and in herds which is involved. Few Members realize the extent of the State laws requiring certain sanitary standards, the inspection laws, and all the things with which our people must contend. After a period of more than a century we have built up this wonderful industry.

You men far remote from the Canadian border little realize the blow which was struck at our dairy section when we granted the power to enter into trade agreements. The result has been that our farmers along the border have suffered terrifically from imports, and these imports are increasing all the time. I was up through Canada last year and found that the farmers there are making extensive preparations to invade our market more and more. It takes time to build up the dairy business, but they are building it up, with high hopes that they can take a good slice from our market.

I hope those who are interested in giving all the farmers a fair deal will support this Boileau amendment. We have no objection to you people in the South going into the dairy business as long as the products are for your people on the farms. However, here we have an industry built up in this country which is taking very good care of the people. If you run wild with this legislation you are simply going to put the dairymen, if not out of business, in a position where they will be obliged to come here for relief. Just remember that the very thing you are trying to achieve by this bill, soil conservation, our farmers have been practicing for the last century. They have been building up their soil, and have not been paid by the Federal Government for doing it.

Remember this, too, that every time you raise the prices of dairy products in this country, or attempt to raise them, when you get them to a certain point countries like New Zealand and Denmark, which are highly organized for the export business, send their goods into our market at the peak of our price in such quantities that they break that price, and then they ship to some other market.

I hope you people on that Democratic side of the House will be fair about this matter and support the Boileau amendment. We have practiced soil conservation. We are perfectly willing that you should practice soil conservation, but we do not want you to ruin our business, which has been established over all these years. We know from the figures that you people have been increasing your dairy business. We know you are raising more cattle in the South. We know many of the big processing concerns have been going into your part of the country and spending large sums of money because they have seen what was coming. I urge you on that side, if you expect our cooperation in matters

affecting you in the South, to be fair and not trespass upon the preserves of the dairy business in the North. [Applause.]

[Here the gavel fell.]

Mr. BIERMANN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I do not believe the best interests of the dairy farmers or of any other farmers are going to be served by making the kind of remarks regarding the trade agreements we have just heard from the gentleman from New York [Mr. REED]. The Canadian trade agreement, as far as it applies to dairy cows, has amounted to about this: It allows the importation of 1,500,000 gallons of sweet cream per year at a tariff reduced from about 56 cents a gallon to 35 cents a gallon. I submit that this amount, which is not quite one-tenth of 1 percent of the annual production of sweet cream in the United States, is not going to ruin the dairy farmers of the United States.

I have in my county more cows than there are in any other county in the State of Iowa. Surely I do not want to hurt the dairy farmer or any other farmer. Let me tell you what could ruin the farmers. The farmers of the United States will be ruined if they climb into the same political bed with the people who wrote the Fordney-McCumber tariff, the Smoot-Hawley tariff, and other high tariffs which have cost the farmers of the United States not hundreds of millions of dollars but billions of dollars. We should not have had to come here to try to write a farm bill if these tariff measures had not wrecked our foreign markets. Any time we can get back our foreign markets we shall not have to worry about the farm problem. Our trade agreements are the most practical way to get them back that I have heard of.

I am in sympathy with the amendment of the distinguished and very able gentleman from Wisconsin [Mr. BOILEAU], and I am going to vote for it. I feel a kind of moral obligation to vote for the amendment, because I voted for it in committee.

However, if it is going to be adopted, I wish the wording of it may be changed somewhat. I do not believe it is right for the Government of the United States to pay soil-conservation benefits to a farmer to take his acreage out of one crop and thereby subsidize him to use it for the raising of dairy products. Yet I am doubtful how, under this amendment, we are going to fence off these acres and make it practicable to administer the Soil Conservation Act. I wish the amendment could be amended in some way to make it more practicable to administer.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I appreciate the gentleman's very friendly interest in this problem, and also appreciate that there may be some little difficulty in the administration of this act. I do say, however, that if the cotton farmer and the wheat farmer can now fence off their cotton lands and their wheat lands so cows cannot get in there, they can also fence off these other lands. Do they let their cows run into their cotton patches during the season of the year when the cotton is growing? Do they let their cows get into their wheat lands or their corn lands during the growing season? The application of this act may be a little difficult, but it can be worked out. There are no penal provisions in the law. We are not going to put every farmer in jail if he lets a blade of grass get into some dairy cow's mouth. We want a sensible administration of the provision and we believe they can work out proper enforcement provisions under this language. We want to be reasonable, and I appreciate the gentleman's suggestion about making it easier of administration, but if there is such a way I have not been able to find it. I have tried to write the provision and make it as easy of administration as possible without compromising the principle involved. If the gentleman can think of some other language that will accomplish the purpose we



have in mind, I will be pleased to cooperate with him, but let us not defeat the amendment on account of having, perhaps, some difficulty of administration.

Mr. HOPE. Mr. Chairman, I cannot help but believe that the Members of the House who represent dairy districts are unduly concerned about the effect of this legislation.

I do not believe there is the slightest danger that there is going to be any increase in dairying in the South or the West as a result of the passage of this legislation. We have had these programs for the last 4 years, under which we have taken land out of cultivation in the case of the various cash crops, and during that time, from January 1, 1933, down to January 1, 1937, the number of dairy cattle in the South has been constantly decreasing until, on January 1 of this year, there were 75,000 fewer dairy cattle over 2 years of age in the South than there were 4 years ago; there were 60,000 less between 1 and 2 years of age, and 164,000 less 1 year old and under. This shows they are going out of the dairy business.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield for a very brief question; yes.

Mr. SNELL. The gentleman seems to be in entire agreement with the chairman of the committee that in no way will any provision of this bill increase dairying in the South. If you are both agreed that there is not going to be any increase there, why do you oppose writing such provisions in the bill? I would like to have the gentleman tell me the reason for that.

Mr. HOPE. I will be very pleased to tell the gentleman my reason for opposing it. It is because I think we are going to make the entire Soil Conservation Act inoperative if you put this language in the bill, because it sets up a condition. Before a man gets payment he must prove to the satisfaction of the accounting officers of the Government that he has not used a single spear of clover or any part of any crop grown on this land to feed to a chicken or to a cow or a hog that he has sold for the market. He may have six hogs on his farm and he wants to kill two of them on the farm. He can run them on the land in soil-conserving crops but as to the other four he must fence them off somewhere else. How are the officials in the Department of Agriculture or the Comptroller General going to determine whether a man has met that condition or not?

Mr. SNELL. The gentleman says they cannot do that now, and if they cannot do it now, why do you object to writing a provision in this bill that they cannot do it?

Mr. HOPE. I do not say they cannot do it now.

Mr. SNELL. Practically, you say they cannot do that now, or that is the implied effect.

Mr. HOPE. I say they do not do it.

Mr. SNELL. If they do not do that now, why not have a provision making it against the law to do it?

Mr. HOPE. If the gentleman can suggest some language that will make it practicable—

Mr. SNELL. I would suggest the language of the pending amendment.

Mr. HOPE. If the gentleman can put in this amendment language that will not wreck the entire soil-conservation program so you will not prevent the farmers in your State and in every other State getting these soil-conservation benefits, I will be very glad to support it.

Mr. SNELL. I want you to put in this bill what you say is in the law at the present time, and if it is not going to interfere with anybody on account of the present law why not write it in this bill?

Mr. HOPE. The gentleman misunderstood me. I did not say there was something in the law that prevented it. I say the farmers in the South and in the West do not want to go into the dairy business if they can make a living in any other way. The only reason they go into the dairy business is the same reason they went into the business in 1930, 1931, and 1932, when prices were so low. It was because they could not make a living in any other way. That is the reason they went into it.

Mr. SNELL. This bill is going to increase the price of other farm products so they are going to make a lot of money—

Mr. HOPE. We hope it will.

Mr. SNELL. So they will not go into the dairy business, and if that is so, and also the other argument you use, why not write that into the bill?

Mr. HOPE. I will say to the gentleman that if he can suggest any language—

Mr. SNELL. We suggest the language in the amendment now at the desk.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BOILEAU. Is it not a fact that under the original Agricultural Adjustment Act the contracts with the farmers had a provision to the effect they could not go into the production of other nationally marketed products, and is it not a fact that a similar provision was in the Bankhead Cotton Control Act, and is it not also a fact that they administered those acts without any difficulty?

Mr. HOPE. But the language contained in this amendment is different from those provisions.

[Here the gavel fell.]

Mr. PIERCE. Mr. Chairman, I move to strike out the last word. In committee I voted for this Boileau amendment. I did so thinking I was doing right. I have given it a great deal of thought and study. I have talked with the men who administer the law in the Department and they tell me that if it is put into the bill it practically will ruin it, as the chairman of our committee stated. It is said to be administratively impossible. I am convinced it is the right thing not to add it to the bill and I am changing my position from what it was in the committee. It is the first time in my life that I ever voted against anything that looked like legislation in favor of the old milk cow. I have always been on that side of the case, but I am very anxious to see this bill pass. I am not convinced by any means that it will solve our problems. I don't know that we can pass any bill that will solve the agricultural problem, but this is the best bill that we can get, and I don't want to see any amendment put on that will cripple it. Therefore, I am going to vote against the amendment. I think it is right not to add the amendment to the bill at this time.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. ANDRESEN of Minnesota and several Members rose.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. ANDRESEN], a member of the committee.

Mr. JONES. Mr. Chairman, I ask unanimous consent that debate upon this amendment and all amendments thereto close in 50 minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that debate upon this amendment and all amendments thereto close in 50 minutes. Is there objection?

Mr. CULKIN. Mr. Chairman, I reserve the right to object, to ask the gentleman to make that an hour and a half. This is of vital importance to 3,000,000 dairymen.

Mr. JONES. We have debated it for over an hour.

Mr. CULKIN. An hour is not enough on this subject. I had 5 minutes on it in general debate, but I could talk a week upon it.

Mr. JONES. If everybody talked for a week, we would be here until next fall. I suggest that we make it 1 hour.

Mr. CULKIN. Very well.

Mr. JONES. Mr. Chairman, on this amendment I ask unanimous consent that debate on this amendment and all amendments thereto close in 1 hour.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDRESEN of Minnesota. Mr. Chairman, agriculture is a delicately balanced machine. If something is done in an artificial manner to aid one section of the country you are

bound to dislocate some other branch of agriculture in another part of the United States. The program of the Department of Agriculture, as announced in this legislation, proposes to take 40,000,000 acres of tillable land in the cotton South out of production of soil-depleting crops and plant those 40,000,000 acres in soil-building crops. In the corn section it is proposed to take 12,000,000 acres of cornland out of corn cultivation and place that land into soil-conserving crops, and in the wheat country, comprising 80,000,000 of acres of wheatland, it is proposed to take 13,000,000 acres out of wheat cultivation and place them in soil-conserving crops. There you have 65,000,000 of acres of land that will be taken out of the usual production and placed into the growing of legumes and grasses; and, my friends, no one supposes that the people who grow those new legumes and grasses are going to destroy them. No; they are going to feed them, in this long-range, all-weather program, to livestock and dairy cattle in sections of the United States where they have not heretofore engaged in the dairy business. If they are honest with themselves here today, they will admit it. We object to a Government subsidy in building up the dairy business. There is nothing that would please me better than to bring our good cotton friends back to the time of good prices for cotton the same as they had in the Republican days from 1921 to 1932, when they averaged 17.12 cents a pound for cotton, when they got 30 cents a pound for cotton in 1923, 19 cents a pound in 1925, and in 1929, 18¾ cents a pound, with an average up to 1932, including 1932, of 17.12 cents a pound for cotton.

I was on the Committee on Agriculture when the farmers got a loan of 16 cents a pound on cotton because they said the cost of production was around 25 cents a pound. My idea was then, and it is now, that we want to keep cotton farmers producing cotton at fair prices, so that they will have more than the cost of production, and the same is true of the wheat farmers and the corn farmers, but, my friends, we have not reached those prices during the last 4 or 5 years, nor have we returned to the time when the cotton farmers averaged 17 cents a pound under former Republican administrations. I am just as much in sympathy with all sections of the country as I am with the dairy section, and I want to give whatever aid and help I can to make those parts of the country prosper. But let us not dislocate the entire picture in so doing. Let us try to get back to some sanity in this legislation. Let us keep each section producing profitably the crops it can produce without dislocating the entire agricultural industry. I admit farmers will not get parity prices under this legislation, but if we can pass the right kind of legislation to get the market in this country for the farmers of the United States and then help the surplus farmers reestablish their foreign markets, we will have accomplished something by way of permanent legislation. The Boileau amendment should be adopted so as to preserve American agriculture. [Applause.]

The CHAIRMAN. The Chair desires to make a statement. There remains 55 minutes of time for the discussion of the pending amendment. The Chair observed as best he could those who had made requests for time when the gentleman from Texas [Mr. JONES] presented his unanimous-consent request. The Chair has on his list the gentleman from Mississippi, Mr. RANKIN; the gentleman from Michigan, Mr. LUECKE; the gentleman from Texas, Mr. KLEBERG; the gentleman from New York, Mr. CULKIN; the gentleman from Michigan, Mr. MICHENER; the gentleman from Arizona, Mr. MURDOCK; the gentleman from Wisconsin, Mr. REILLY; and the gentleman from Minnesota, Mr. ANDRESEN. That would exhaust the 55 minutes.

Mr. MURDOCK of Arizona. Mr. Chairman, may I yield back my time?

The CHAIRMAN. The Chair was unable to determine whether the gentleman from Texas [Mr. JONES] desired any time for himself.

Mr. JONES. I do not think I will use any of the time.

Mr. MURDOCK of Arizona. I will yield back my time, Mr. Chairman.

Mr. JONES. I would like to reserve 5 minutes at the end, if I may. I may not use it.

The CHAIRMAN. The gentleman from Texas [Mr. KLEBERG] is recognized for 5 minutes.

Mr. KLEBERG. Mr. Chairman, at the outset, I wish to call attention to the fact that the section of the bill to which this amendment is offered is the noncompulsory or voluntary section of the bill. The philosophy of this section is to the effect that the spending power of the Government can properly be used in the great national interest of conserving the soil. Payments under this section of the bill, contrary to what many Members seem to believe, are to be made for the express purpose of conserving the soil. The indirect result of taking out of production certain row or soil-depleting crops, of course, is a natural incident to this practice.

I happen to be one member of the committee who voted against reporting this bill out, because I found myself out of sympathy with the compulsory features of the act, afterward brought into this bill by the insistence of the Department and certain farm organizations. I find myself out of sympathy with the sections of the act which have at heart the same fundamental principle that is embodied in the amendment offered by my distinguished friend from Wisconsin [Mr. BOILEAU].

Mr. Chairman, we have gone a far way from the original Democratic principles. We are going a far way abroad from strict constitutional government. In the first instance, under the provisions of this act which have to do with the establishment of quotas, we know that this is undertaken under the so-called commerce clause of the Constitution. We are all aware of the fact that Congress has the power, under that instrument, to regulate commerce.

We are equally aware, if we give the age-old interpretation to that instrument—that Congress does not have the power to delegate the authority to regulate commerce to any one man or any one department, which is effectively accomplished under the quota provisions, to which an amendment will later be offered striking them out. The quota provisions delegate the power to regulate commerce to the Secretary of Agriculture.

I am opposed to the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU] on the broad ground that it violates one part of the bill that I can in my heart fully endorse. I opposed this same amendment on the last occasion when the Conservation Act was before this body.

I now want to call your attention to the practical effect, in addition to favoring, by discrimination, for instance, a group known as the dairy group, a part of the cattle industry, the discrimination against the beef-cattle industry afforded by this amendment. The beef-cattle industry would be glad to have the feeder market stimulated; it would be glad to have farmers who take out of cotton and who take out of corn and wheat land which is to be treated for soil-conservation purposes come into the market as purchasers of feeders. I ask, in all fairness and common sense, how it is going to be possible to honestly operate a soil-conservation program in the wheat area of my friend from Texas [Mr. JONES], or in the cotton area from which I come, if we are not going to be permitted to put back into the land, through the utilization of animal fertilizer, some of the most important soil-building material that has ever been discovered by men engaged in agriculture?

I would like to see the farmers not only permitted but I would like to see them stimulated in the development of a widespread movement to feed a few choice feeders on land retired from row crops.

Mr. Chairman, I yield back the balance of my time and ask at this juncture to be permitted to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. RANKIN. Mr. Chairman, if this amendment is adopted it simply destroys the bill. It will make it practically impossible for any farmer in any section of the country



producing dairy products or poultry, chickens and eggs, or hogs, to participate in the bill in any way whatever.

Let me say to the gentleman from Wisconsin [Mr. BOILEAU] that I think he is unduly alarmed about the South monopolizing the dairy industry. Let me also remind him that the greatest dairy feed produced in this world is not legumes. It is cottonseed and cottonseed meal and hulls, that is grown on the land that is left in cotton and not land that is taken out. Now, let us see what the amendment of the gentleman from Wisconsin would do. This will not affect the South any more than it will the West.

Mr. HOPE. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HOPE. Is it not true also that cottonseed oil is the competitor of dairy products, and the less cotton there is planted the less cottonseed oil there will be to compete with?

Mr. RANKIN. Why, yes; the State of Wisconsin, the gentleman's own State, has passed a law which outlaws the sale of cottonseed-oil products—one commodity that we all put on our table that is absolutely pure, free from tuberculosis, free from anthrax, free from cholera, free from cancer, free from all infectious or contagious diseases; yet they try to bar it from the gentleman's State of Wisconsin in their desire to put a stop to the competition of cotton products with the dairy industry. Let us see what the gentleman's amendment would do.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Not now.

Mr. BOILEAU. The gentleman is not in order.

Mr. RANKIN. The gentleman is not going to interrupt me as he did these other Members. He knows it is absolutely against the rules of the House.

Mr. BOILEAU. Mr. Chairman—

Mr. RANKIN. Mr. Chairman, I decline to yield.

Mr. BOILEAU. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BOILEAU. Mr. Chairman, I make the point of order that the remarks of the gentleman from Mississippi are not in order.

Mr. RANKIN. The gentleman is not going to interrupt me and take up my time. He must observe the rules of the House if he interrupts me.

Mr. BOILEAU. Mr. Chairman, I make the point of order that the gentleman has no right to state that I am not observing the rules of the House.

Mr. RANKIN. Mr. Chairman, I am within my rights. I decline to yield.

Mr. BOILEAU. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. Mr. Chairman, I make the point of order that when a Member of the House addresses the Chair for the purpose of making a point of order that he is in order, and that a Member who says that he is not in order is not himself in order. [Laughter.]

The CHAIRMAN. The Chair has heard the gentleman's point of order.

The gentleman from Mississippi will proceed in order.

Mr. RANKIN. The gentleman from Mississippi has not been out of order.

Now, for purpose of illustration, let us take the case of a western farmer. He has a small plot of ground that he has taken out of the cultivation of corn, we will say, and has planted it in beans or peas. When he has gathered his corn he cannot even turn his milk cows into the field or let his chickens stray onto that ground if it is sowed in soybeans or peas, because he will be violating the law if he sells the milk from those cows or the eggs from those chickens. After the farmer has gathered his crop, whether beans or peas, and put it in the barn, the gentleman from Wisconsin would have to send a Federal agent and park him in that hay barn to see that none of that hay that was supposed to go to the mules was fed to the cows, and that none of the peas fell off the pea vines and dropped through the loft floor to the chickens or hogs, else he could not sell the chickens or eggs or the hogs.

This amendment renders this bill absolutely nugatory and impossible of enforcement. It destroys its force. Not only will it injure the people in the cotton- and grain-growing sections of the country, but it will injure people in Wisconsin who have a few dairy cows on their farms but who raise corn, peas, and other commodities who want to come under the provisions of the bill. It would eliminate people from the gentleman's own State from participating in the benefits, if there are any benefits, which this bill carries. So I hope the amendment will be voted down.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr. MICHENER] is recognized for 5 minutes.

Mr. MICHENER. Mr. Chairman, now let us proceed in order. [Laughter.] I come from Michigan, and I come from a dairy district. My good friend the gentleman from Michigan [Mr. Hook], who has discussed the dairy problem in connection with this amendment, comes from the mining district in the northern part of our State. It is a splendid district, but not a dairy district. I hope he knows something about a dairy district. When he drives to Washington in his automobile and comes through my home city he is just half way to Washington, and in a real dairy district and still in the State of Michigan.

My colleague has insisted in at least two speeches during this debate that there is an underconsumption of dairy products, and, therefore, apparently urges an expansion of the industry as a justification for his opposition to this amendment. He evidently overlooks the fact that the prime purpose back of this entire bill is to control and limit production of the basic commodities named in the bill.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I cannot yield; my time is short.

I agree with the gentleman from Michigan that there is an underconsumption of milk and milk products. The same is true of wheat and cotton and corn and meat. Some of us do not believe in this philosophy of scarcity. The President has said that one-third of our people need more to eat and that one-third of our people need more clothes, yet this bill, which has the President's blessing and is known as an administration bill, is in direct opposition to the theory of plenty. If the bill will work as its proponents claim it will work, then we will have less cotton for overalls and clothing, and less wheat for bread, and less hogs and cattle for meat, and less rice, and less corn. I am sure that my good friend, the gentleman from Michigan, wants to be consistent and, therefore, while he might want to support the administration in all of its endeavors, he will have difficulty in justifying his advocacy of producing more milk and ruining the dairy industry and, at the same time, producing less corn, wheat, and cotton for the express purpose of helping those branches of agriculture.

Now, I live in a dairy district. There are three splendid milk condenseries and several creameries in that district, but the bulk of the milk is sold as fluid milk in the Detroit market, in the Toledo, Ohio, market, and in other nearby markets. Our dairy farmers are in a fortunate position, so far as nearness to fluid-milk markets is concerned. Our condenseries and creameries operate largely on surplus milk. While the dairymen in my section are more fortunate than dairymen farther removed from markets, yet in these days of speedy transportation and cold-storage methods, distance is really eliminated.

I do not believe that much of the argument on this amendment, especially the colloquy between the gentleman from Texas [Mr. JONES], the gentleman from Kansas [Mr. HOPE], and the gentleman from Wisconsin [Mr. BOILEAU], is germane. What difference does it make whether or not the dairy industry has had favorable consideration in the past, or whether or not the cotton industry or the wheat industry has had favorable consideration in the past? This is supposed to be all-weather, long-time legislation. We are legislating for the future and not for the past. Whether there were more cows in the Cotton Belt in 1933 than in 1935 is beside the question. We all realize that the dairy industry requires much capital, some experts, and, last but not least,



tireless and endless work and drudgery. The wheat farmer in Kansas and the cotton farmer in the South will not engage in the drudgery attaching to a successful dairy venture if they can make as much money by planting their wheat in the fall, going to Florida in the winter, spending the early summer in the mountains, coming home for harvest, and then proceeding with the vacation. Neither will the cotton farmer milk cows and do work of that type if he can make as much money by growing a little cotton with cheap help and labor.

After all, the human and selfish element enters into this legislation. The Members representing cotton districts are naturally doing everything they can to help their respective districts. The same is true of wheat and these other commodities mentioned in this bill, and the gentleman from Wisconsin [Mr. BOILEAU] should be complimented for his work and industry in behalf of the great dairy district which predominates in the great State of Wisconsin.

If you will pardon a personal allusion, the district I have the honor to represent contains the only three counties in Michigan coming within the designation of the commercial corn-production area, as outlined by the Department of Agriculture. I think I am safe in saying that in my home county there are as many family-sized farms on which are produced from 10 to 15 acres of wheat to the farm each and every year as any county in the United States. This is a part of our crop rotation and has been for years. But it is the dairy industry that has made our well-farmed land more valuable and more productive, even though we have been compelled to commence a little earlier in the morning, work a little later in the evening, and look after the dairy herd 7 days in each week.

Under this bill the cotton farmer will, in a practical sense, rent certain of his land to the Government. He will receive full and just compensation for every acre which he adopts to the soil-conservation program. He will grow alfalfa or other soil-building crops. The way the bill now reads, and without the Boileau amendment, this same farmer can turn around and sell the soil-conserving crops produced, or he may go into the dairy business or livestock business, feed his cows on the land which the Government has paid him to take out of production of cotton. Now, as a matter of fact, you and I know that the frugal, industrious farmer is not going to take a 10-acre field out of cotton, plant it to alfalfa and then not use the alfalfa for some profitable purpose, unless he is forbidden so to do. That kind of logic does not hitch up with modern human nature.

Of course, the gentleman from Texas [Mr. KLEBERG], who comes from one of the greatest cattle-producing areas in the world, evidently does not understand how we use these soil-conserving crops in the North. He feels that the farmer in the South should be paid to take the land out of production and then, after the alfalfa commences to grow, he should be permitted to pursue the cattle-grazing industry just the same as if he had not rented the land to the Government.

Now my time is about up, and I am sure that I speak for every district in the United States, where the dairy industry is indulged in to any extent at all, when I express the hope that when the vote is taken within the next few minutes the dairy farmer will be given just an ordinary square deal. If you people in the South want to go into the dairy business, that is your right. If you want to go into the dairy business on land which the taxpayers of the country have rented from you in order that agricultural surpluses may be curtailed, then it is our right to protest and to call the attention of the country to the unfairness of this type of Government competition in private business. There is no justice in robbing Peter to pay Paul. You cannot build up or stabilize agriculture by a Government subsidy that will ruin the dairy farmer.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr. LUECKE] is recognized for 5 minutes.

Mr. LUECKE of Michigan. Mr. Chairman, I have a great deal of respect for the gentleman from Wisconsin. I think

he is ably representing his constituents, and I want to enlist his aid in another movement.

When I was back in my district during the recess the milk producers came to me and said that in some of the tests which they were receiving from the condenseries and elsewhere there were discrepancies of from .04 to 1.2 in the tests they received. I got busy with the State authorities and they sent inspectors into the district to check up on the situation. They did find irregularities just as the farmers stated.

Information also came to me that so-called "fly-by-nighters" have come into the upper peninsula from adjoining States who were largely responsible for the irregularities, and I appeal to my able friend from Wisconsin, if that be true, to do something for the milk producers in that part of the country. Let us clean out these racketeers. Let us give the fellow who produces the milk that to which he is entitled.

Mr. CULKIN. Will the gentleman yield?

Mr. LUECKE of Michigan. That is all they want.

Mr. BOILEAU. Will the gentleman yield?

Mr. LUECKE of Michigan. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I may say to the gentleman that I will be glad to cooperate with him in every possible way to do away with any racketeering in the milk industry.

Mr. CULKIN. May I suggest that the gentleman refer that complaint specifically to the Milk Division of the Federal Trade Commission?

Mr. LUECKE of Michigan. Yes; I will do that. That is why I am bringing this matter to the attention of the Members of the House at this time. If the matter of tests were gone into thoroughly for the purpose of doing away with losses to the milk producers a great service will be rendered the dairy industry.

The State authorities of Michigan have looked into the situation and they have found that this condition exists. I believe that is the one way to attack the dairy problem and do something for the milk producers.

Although the gentleman from Wisconsin claims his amendment is going to help the dairy farmers, it seems that the figures presented do not bear out his statement. I would like to go along with him in what he said, but I believe if his amendment is agreed to it would wreck the whole soil-conservation program. As much as we would like to do something for the dairy farmers, we cannot afford to have that program wrecked.

Getting back to the dairymen in the Upper Peninsula, may I say that that used to be a timber country. As the timber was cut they had to resort to other industries, and, of course, as a lot of that country bore hardwood timber it was only natural that this land was put to dairy farming. May I say to the gentleman from Wisconsin that I will do everything I can to assist him to increase the dairy industry in that part of the country, but I do not think it can be done through the amendment which the gentleman from Wisconsin has offered.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from New York [Mr. CULKIN] is recognized for 5 minutes.

Mr. CULKIN. Mr. Chairman, may I say I am in favor of a farm bill which treats all farm crops alike. I voted for the A. A. A. and I am not ashamed of that, although it was subsequently declared unconstitutional. I went further than that and voted for the Bankhead bill so that justice might be done to the South.

This bill is an unfair, dishonest sectional bill. It discriminates against three million dairy farmers who today have their backs to the wall. Their land is being sold for taxes, their mortgages are growing, and in the North Central and Northeastern States they are gradually abandoning the land. There are in those sections 3,000,000 splendid Americans who are in a bankrupt state. Yet this complacent gentleman from Texas, and this complacent gentleman from Kansas, speaking for the wheat and the cotton crowd, not only ignore the condition of these dairymen farmers, but, paying heed to the bureaucrats who wrote this bill, they add insult to injury by destroying them by subsidized competition. There is no ques-



tion about that. All the blah-blah and complacencies the gentleman from Texas and the gentleman from Kansas can utter on this question do not change the situation. The dairyman knows that in this hour, by this indecent sectional legislation he is being crucified; he is being driven off the land and scattered to the four winds.

Mr. Chairman, there is yet time to correct this condition. There is yet time to correct this indecent sectional legislation, born of the selfishness of locality; born of the desire of these other groups to go into the dairying business. We do not need them to diagnose this situation for us. Our technicians in the dairying field all say this legislation spells the ruination of dairying in the North Central and Northeastern States. Since this administration began, the North Central and Northeastern States have sent \$10,000,000,000 into the South to aid its depressed condition. I do not regret this. I do appeal especially to the thinking Members from the northern industrial cities to preserve these dairymen from destruction by placing this amendment in this bill. It is an honest amendment, which only in part does justice to these 3,000,000 hard-pressed dairymen. I beseech you, in the name of American fair play, not to get into sectional legislation. I warn you, if you sow the wind by this kind of outrageous lawmaking, some day you will reap the whirlwind. [Applause.]

[Here the gavel fell.]

Mr. REILLY. Mr. Chairman, I rise to support the Boileau amendment. I have the honor of representing, in part, on the floor of this House, the greatest dairy State in the Union, and a great dairy district, and, of course, my dairy-farming constituents are vitally interested in the objectives of the Boileau amendment.

There are over 24,000,000 cows in the United States, of which over 2,000,000 are on the farms of Wisconsin. More than one-tenth of the total milk production of the country—about 100,000,000,000 pounds—is produced in Wisconsin.

I represent a district that has 208,000 cows. The principal agricultural activities in my district and in the whole State of Wisconsin are the production of milk, cheese, and butter. More than one-half of the almost 500,000,000 pounds of cheese produced each year comes from the cheese factories of Wisconsin.

As is generally known under the Soil Erosion Act, and under the terms of this bill, farmers who grow wheat, corn, cotton, tobacco, and rice are paid so much per acre for taking part of their land out of the production of any one of these five crops.

There is no question at all but that the dairy industry has been growing in the Southern States in the past decade or more. The purpose of the Boileau amendment is to prevent lands taken out of cultivation, of the five crops mentioned, from being used for the production of crops that go into competition with other farm products, particularly milk and milk products.

This bill, for instance, and the soil-erosion bill contemplates the taking out of cotton production of millions of acres of land now devoted to the growing of cotton, and the cotton farmers are to be paid for the acreage thus taken out of the cotton production.

Now, of course, nobody will object to the southern farmer going into the milk business of his own free will, but it does not seem that it is fair to the dairy farmers of the country that the southern cotton planter should be paid to go into the dairy business, which would be the case if the southern cotton farmer is to be permitted to use land taken out of cotton production, and for the use of which he has been paid, in the building up of the dairy industry of the South.

I just used cotton as an illustration; the same situation would exist as to wheat, corn, and rice, although the rice crop in this country is inconsequential and it is difficult to understand why rice was ever put in the bill as one of the five agricultural crops to be controlled.

I know the statement is made that this amendment will make the bill unworkable, but under the A. A. A. the Secretary of Agriculture, without any authority in law, wrote into

the contracts made with the farmers for taking their land out of the production the substance of the Boileau amendment. The Secretary of Agriculture thereby recognized the injustice of permitting the farmers who have been paid to take their land out of the production of certain crops to become competitors in other lines of agricultural activity.

Of course, there is nothing to prevent the farmer under the Boileau amendment from engaging in dairying for home consumption. There has been an attempt in the debate on this amendment to argue that under the farm legislation since the commencement of the Roosevelt administration there has been no substantial increase in the number of dairy cows in the South, but I am of the opinion that the gentleman from Wisconsin [Mr. BOILEAU] has clearly demonstrated from governmental reports that the dairy industry in the South has increased and increased substantially since the beginning of the present administration; but, as I have stated, no one can object to the southern cotton farmer or to the western wheat farmer or to the Central States corn farmer going into the dairy business, but they should not be subsidized by the Government through soil-erosion payments to put land, the use of which has been paid for, into the production of crops that will compete with the greatest farming industry in this country—the milk industry.

Mr. AMLIE. Mr. Chairman, will the gentleman yield?

Mr. REILLY. I yield to the gentleman from Wisconsin.

Mr. AMLIE. Even though the South might double its production of milk, as long as it is fluid milk it would not compete with the dairy sections. However, when this milk is converted into butter or cheese, as the statement from the gentleman [Mr. BOILEAU] has indicated, then the farmers of the South come into direct competition with our farmers who are outside of a milkshed, and who are the worst paid of all the dairy farmers, and this is the very thing we are trying to prevent.

Mr. REILLY. I thank the gentleman.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. REILLY. I yield.

Mr. BOILEAU. Enough fluid milk is already being produced to meet the consumption demanded. Every additional pound of milk which is produced by the South as surplus over future consumption demanded will go into butter and cheese. This is where the trouble lies, and this is where competition is brought about. Their fluid milk does not compete with us, because it is perishable. It is the butter and cheese which competes with us. The figures show that the increase in the production of butter and cheese in the cotton States alone, 1937 over 1932, was 80 percent, and that is the way it is going.

Mr. REILLY. I thank my colleague.

There can be no doubt at all but that the cheese output of the South is increasing rapidly.

Of course, as I have said, we from the dairy States do not object to farmers anywhere going into the milk business on their own hook, so to speak, but we do object that land, the use of which the Government has paid for, being used to increase milk production in this country and thereby increasing competition for the dairy farmer; that is, milk that will go into interstate commerce in any form.

I congratulate the gentleman from Iowa, who has just addressed the House and who comes from a great corn and hog State for his stand in favor of the Boileau amendment.

Mr. MURDOCK of Arizona. Mr. Chairman, I want to pay tribute to my young friend, the gentleman from Wisconsin [Mr. BOILEAU]. I admire the courageous fight he is putting up for his section and his constituency, although I cannot agree with him on this occasion and shall vote against the Boileau amendment.

I believe as a matter of real statesmanship we ought to have diversity of crops. I shall not be displeased to see a considerable amount of dairying established in the South. I believe one curse of the South has been the one-crop system. One feature of this bill alarms me greatly. Unless this bill is modified, it will throw out of cultivation a great many acres in the State of Arizona and ruin most



cotton farmers of that State. Twenty-five years ago dairying was one of the principal agricultural occupations of the great Salt River Valley, but now it has taken a back seat. If we throw back into some other use a great deal of this land, it will necessarily mean the dairy business will have to be resorted to in my State or many farmers will go on relief. I trust we may continue the regime of wholesome and gradual expansion we now have in the State of Arizona. Otherwise it would be a double injury upon my farmers in Arizona should they be prohibited from using the acres they are now using in growing cotton and should also be forbidden to use the land for the dairy business. Therefore, I oppose the Boileau amendment, although I will go to any reasonable extent to aid the dairy industry. [Applause.]

[Here the gavel fell.]

Mr. KENNEY. Mr. Chairman, I would like to see a bill enacted that would aid all the farmers of this country. The bill before us confines itself to the cotton farmer, the wheat farmer, the tobacco farmer, the potato farmer, and the rice farmer.

Now, what is the underlying reason for this bill? It was brought out during debate, as is generally known, that it is not the small farmer of the Nation who has unsettled the market for these products; rather, it has been the big operator who is responsible, the operator who owns thousands of acres, and with the best possible equipment and the richest fertilizer, can and does produce with very little labor more than can be produced by all the farmers of the countryside. It is the production of the large operator that gives rise to our problem, because he is the one who fails to conserve the soil and depletes it by overproduction; the self-same operator who dumps his products on the market, depressing their price and thus damaging or destroying the profit and the purchasing power of the average farmer. He creates misery among the small farmers and by the same stroke propagates manifold miseries among the workers, who lose employment in the industrial sections of the country, because the small farmer is bereft of his profit with which to buy the manufactures of industry. Now, this big operator, who has unsettled the wheat and cotton and other agricultural markets, is going to unsettle other markets if we permit him to grow different crops on his acres conserved and taken out of production, for which we are to pay him subsidies and bounties.

The farmers of New Jersey favor the present Agricultural Conservation Act. They are not in accord with restrictive legislation leading to compulsory control. But if production is to be controlled or regulated by means of soil conservation, then New Jersey farmers do not want the acreage conserved and taken out of production to be used for the growing of other crops for market.

The principle of the Boileau amendment is favored by the farmers of New Jersey. The Federal Government is going to give a bounty and subsidy to the producers of the commodities dealt with in this farm bill, and in doing so we cannot justly permit the big operators to transfer their large-scale operations to other products to kill the dairy business or unsettle or kill the business of the farmers of my State and other States who depend for a living upon the farm.

Congress may well aid the farmers who raise the soil-depleting crops from the ravages of the big operators who are depleting the soil and ruining the hard-working American farmer, but in so doing the only sane and sensible thing for us to do is to take out of production altogether for marketing purposes the farm lands for which the Government will give its largess. So far as I am concerned, our liberality must not exceed \$500,000,000 for the farm program, and before any appropriation is made the high cost of foods should come down so that reasonable prices will meet the demands and the pocketbooks of the consuming public. The taxpayer and consumer must be considered. And we must protect the farmer generally as best we can.

Bear in mind that while we are providing for the cotton farmers and the wheat farmers and the others here involved

we must look out for the other farmers of the country. We are not doing anything for them in this bill, so at least let us protect them by voting for the Boileau amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU].

The question was taken; and on a division (demanded by Mr. RUTHERFORD) there were—ayes 84, noes 89.

Mr. BOILEAU. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOXEY and Mr. BOILEAU.

The Committee again divided; and the tellers reported that there were—ayes 114, noes 95.

So the amendment was agreed to.

Mr. FORD of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD of Mississippi: On page 6, beginning with line 5, strike out all down to the period in line 17 and insert in lieu thereof the following:

"(3) In the case of cotton, 95 percent of the State acreage allotment shall be apportioned annually by the Secretary among the farms within the State on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the State."

Mr. FORD of Mississippi. Mr. Chairman, I briefly explained this amendment to the House yesterday, and inserted it in the RECORD on page 670. As the bill is now drafted, it leaves discretion in the Secretary of Agriculture to take the State allotment and divide it among the counties in such a way that he can favor one county over another county, and in addition thereto, it provides that he may apportion the State allotment to administrative areas. There is no definition in the bill as to what an administrative area is. It simply leaves it up to the Secretary, if he so decides, to go into a county, set up a dozen administrative areas, and then make an allotment more favorable to one area, and thereby discriminate against people in one section of a county in favor of those in another section of the county. The amendment that I present does not affect the State allotment at all. It simply directs the Secretary in positive terms to take 95 percent of the State allotment, and allot it direct to the farmers, on an equal percentage of the tilled acreage that they may own in their respective farms. I cannot conceive of any fairer proposition for the House to consider. I cannot see why the membership of this House would want to draft a bill that would give the Secretary authority to favor one county as against another or to favor one farmer as against another in a particular administrative area that he may decide to set up under the operation of the bill.

If we are going to have it on a tilled acreage basis, the amendment I offer is the only fair way to do justice to the small and large farmers. It does not disturb any State's allotment at all. Why is it not fair, once the allotment is made to a particular State, to say to every man who owns a farm in that State, "You shall be given an equal portion of your tilled acreage with all farmers in the State in order that you may grow cotton." It does not apply to wheat or corn or any other product, but simply applies to cotton. In the previous laws that we have passed, the Agricultural Adjustment Act, the Bankhead Act, the Soil Conservation Act, some of the large farmers of the country have been planting much more acreage in proportion to the small farmers and have been receiving large benefits from the Treasury of the United States under the Soil Conservation Act. If this amendment is adopted, it brings about the same cut on the large man as on the small man, and simply gives every farmer in his State an equal opportunity to grow cotton on lands that he has been using for the production of cotton. It does not set up any new farmers; it does not change the program, except it says to those farmers in one State, "You shall have an equal portion of that land in accordance with



the land of a farmer living in another county or in another section of that particular State, provided you have been growing cotton for 5 years or more."

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. FORD of Mississippi. Yes.

Mr. WADSWORTH. I can see the purpose of the amendment offered by the gentleman; but does not the last sentence of paragraph 3, between lines 11 and 15 on page 7, have the effect of nullifying the restrictions which the gentleman's amendment seeks to improve upon the discretion of the Secretary of Agriculture? You will note it reads as follows:

In determining allotments under this paragraph, the Secretary shall also take into consideration the acreage on the farm devoted during such 5-year period to the production of other soil-depleting commodities specified in paragraph 1.

Mr. FORD of Mississippi. I appreciate my friend's suggestion in that respect, but if my amendment is adopted it will make the Secretary of Agriculture give each cotton farmer in his State an equal portion of his cultivatable or tillable acreage. The farmer who owns rich land will still be able to produce the greatest amount of cotton.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. FORD of Mississippi. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FORD of Mississippi. Yes.

Mr. COOLEY. If the gentleman's amendment is adopted, would the Secretary then be permitted to take into consideration diversified farming which has been done in different counties and in different sections of the country?

Mr. FORD of Mississippi. He certainly would. It does not change a single formula, except that it says to the Secretary, You shall give to Mr. Jones, living in Attala County, Miss., the same percentage of his tilled acres that you give to Mr. Smith, who lives in some other county in my State.

Mr. COOLEY. He is supposed to do that under the gentleman's amendment without regard to the method or practices employed on the particular farm with reference to the diversification of farming?

Mr. FORD of Mississippi. Certainly. It does not change that in any respect. It simply says that the percentage shall be the same to all farmers in the State where they have practiced the prescribed formula as set out in the bill.

Mr. COOLEY. It does say now that that rule shall apply in the different counties and the administrative areas so as to equalize the acreage among the farmed or tilled acreage in that particular area.

Mr. FORD of Mississippi. That is true; and there is no definition in this bill as to what shall constitute an administrative area. And I might say to my friend there is nothing in the language of the bill under consideration that will prevent the Secretary of Agriculture from favoring one county or one administrative area over another. If my amendment is adopted, it will simplify the administration of the act and will prevent any favoritism among farmers in any State.

Mr. COOLEY. The effect of your amendment is to take away from the Secretary of Agriculture the right to designate an administrative area.

Mr. FORD of Mississippi. That is true; and make him deal fairly with every man in the State. Those of us who have witnessed the administration of some of our laws have seen politics enter into their administration. We have seen favoritism shown. We have seen one group of our citizens favored over another group of citizens living in the same county.

Mr. COOLEY. Has that not been due to the local committees?

Mr. FORD of Mississippi. I think not. I think it is due to the whole administrative set-up.

My colleague from Mississippi, Mr. Colmer, has suggested an amendment to the committee which, if adopted, will exempt all farmers who grow three bales of cotton, or less, from the penalty provisions in the bill under the marketing quotas. I understand that the committee looks with favor upon this amendment, and I commend my colleague for his efforts in presenting it to the committee, and I commend the judgment of the committee in accepting the amendment of Mr. Colmer, and I hope the House will adopt it when it is offered by the committee. We must see that the small farmers are protected, and that the farm program is administered fairly so that all farmers may share equally according to the size of their farm and the tilled acreage on their farm. The amendment which I have offered will insure equality to all—large and small—regardless of the section of the State in which they may reside.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I hope the committee will not adopt this amendment, for the simple reason that provision is already made for allotment to counties on a percentage of the tilled acreage basis, as will be seen if you turn to page 4. The adoption of this amendment would do away with the county committees operating. If you will turn to page 4, lines 19 and following; you will find this:

In determining acreage allotments under this section in the case of cotton, wheat, etc., \* \* \* the National and State allotments and the allotments to counties or other administrative areas shall be determined annually on the basis of the acreage devoted to the production of commodities.

That distributes it to counties on a proper basis. The trouble with this amendment would be that you would take the distribution out of the hands of the county committees, and at the same time give great advantage to certain sections of the State over other sections of the State. The question of other administrative areas only applies in this kind of a case. They are not all counties. Some of them are parishes or townships. They are all local areas. Where the bill uses the term "administrative area," it only applies where there is a continuation of counties, or where there is a parish or a township that is in some other division. So I think it would be very, very harmful to adopt that kind of an amendment, since it is taken care of accurately under the present formula.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. COLMER. I have very high respect for the gentleman's interpretation of his own bill; but, as a matter of fact, would not this amendment clarify the situation and facilitate its operation so far as county units are concerned?

Mr. JONES. I do not think so. If you do not have allotment to a county, the county committee cannot take the various allocations and apportion them out. There are very different problems in some sections of a State from those prevailing in other sections of a State. Sometimes a division needs to be made in a county. One side of a county is of an entirely different type from the other side of a county. This gets it down on a fair basis on tilled acreage, and breaks it down to the counties, and then turns over to the county committee the adjustment within the county. Those county committees are selected by the farmers, and therefore are in a position to do the distributing.

Mr. COLMER. Will the gentleman yield further?

Mr. JONES. Yes.

Mr. COLMER. The language of the bill refers to "county and other administrative areas."

Mr. JONES. Well, that is a local administrative area. In a few instances there are just a few in a small county that apply, and they attach it to the other county, but for all practical purposes that is where there is a township or parish, or where there is a county that is altogether different and goes under the jurisdiction of a different committee.

Mr. COLMER. But under the language of this bill would not the Secretary be authorized to set up an administrative area of several counties?

Mr. JONES. Oh, I do not think it would have that effect when you read the different provisions referred to in the different places as local administrative areas. That conforms to the practice. You can hardly name each area. I think it would be very unfortunate if we adopted this amendment.

Mr. COLMER. It occurs to me that would simplify the matter.

The CHAIRMAN. The time of the gentleman from Texas [Mr. JONES] has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 1 minute, to answer a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WHITTINGTON. Is it not true that under the language of this amendment there is no yardstick whatever in the allocation between counties, whereas, as you pointed out under section (c) on page 4, the yardstick is the previous provision?

Mr. JONES. Yes, sir.

Mr. WHITTINGTON. And it will leave the matter absolutely up in the air?

Mr. JONES. I think so.

Mr. WHITTINGTON. Is it not true that any part that is complained of could be adjusted by the county committees?

Mr. JONES. Yes, sir.

Mr. FORD of Mississippi. Will the gentleman yield?

Mr. JONES. I yield.

Mr. FORD of Mississippi. Under the terms of the amendment it does not do away with the local committees. They still have their function in measuring, supervising, and so forth. It simply directs the Secretary that he shall do equity to all within that State.

Mr. JONES. But you make him allot the acreage, and that will take it away from the county committees and they cannot adjust it. I think one of the fine virtues of the administration of this bill is the fact that it is in the hands of the county committee.

[Here the gavel fell.]

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Mississippi [Mr. FORD].

The question was taken; and on a division (demanded by Mr. FORD of Mississippi) there were ayes 77 and noes 60.

Mr. JONES. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. FORD of Mississippi and Mr. JONES.

The Committee again divided; and the tellers reported there were—ayes 108, noes 67.

So the amendment was agreed to.

Mr. FORD of Mississippi. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD of Mississippi: On page 4, lines 21 and 22, strike out the phrase "and the allotments to counties or other administrative areas."

Mr. FORD of Mississippi. Mr. Chairman, the amendment which I now offer is merely a perfecting amendment to make the bill conform to the amendment which the House has just adopted.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. FORD of Mississippi. I yield.

Mr. LUCAS. Did not the gentleman's amendment go solely to cotton?

Mr. FORD of Mississippi. The gentleman is correct.

Mr. LUCAS. Does not the gentleman by his present amendment strike out corn as well?

Mr. FORD of Mississippi. If the gentleman will read the bill he will find in the definitions when it comes to the allotment to counties it only talks about cotton all through that section.

Mr. LUCAS. Section (c) relates to all of the basic commodities.

Mr. FORD of Mississippi. It mentions them, but if you trace it down it never does say corn allotments shall go to the farms through allotment to the county or some other administrative area, but refers back to the subject of the commodity. The only thing affected is cotton.

Mr. LUCAS. In other words, the gentleman's amendment will in no way affect paragraph 4, page 7, where the yardstick is laid down for the allotment of field corn?

Mr. FORD of Mississippi. It will not. It affects only the basic commodity known as cotton and is merely a perfecting amendment to conform to the amendment which the House has just adopted.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. FORD of Mississippi. Certainly.

Mr. JONES. This would apply to all commodities.

Mr. FORD of Mississippi. This applies to cotton only.

Mr. JONES. It will wreck the whole situation.

Mr. FORD of Mississippi. If the gentleman will read this section he will find that it does not confine the allotment to the county administrator; that it does not apply to corn, wheat, rice, or other commodities under it; that it applies only to cotton. If I am in error I wish to be corrected.

Mr. JONES. I will read it:

(c) (1) In determining acreage allotments under this section in the case of cotton, wheat, rice, tobacco, and field corn, the National and State allotments and the allotments to counties or other administrative areas shall be determined annually on the basis of the acreage devoted to the production of the commodity during the 5 calendar years (in the case of cotton, tobacco, and rice), or the 10 calendar years (in the case of wheat and field corn).

Mr. FORD of Mississippi. If the gentleman will permit me to call his attention to the title on corn, wheat, and rice, he will find that the bill in those sections does not make an allotment to the county or administrative area.

Mr. JONES. Because we do it here. This makes the State and county allotment of all of these commodities.

Mr. FORD of Mississippi. Mr. Chairman, if it affects the bill in that way, I ask unanimous consent that the amendment may be withdrawn, for it is not my purpose to make any changes in the allotments of corn, wheat, rice, and so forth, but merely at this juncture desire to perfect the bill as to cotton.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that his amendment may be withdrawn. Is there objection?

There was no objection.

Mr. FORD of Mississippi. Mr. Chairman, I offer a further perfecting amendment: In line 20, strike out the word "cotton."

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amendment offered by Mr. FORD of Mississippi: On page 4, line 20, strike out the word "cotton."

Mr. FORD of Mississippi. Mr. Chairman, I yield to the chairman of the Committee on Agriculture and ask him if that would not perfect the section.

Mr. JONES. The trouble with this amendment is that it would do away with acreage allotments, with national allotments to the various States. I think if the gentleman would prepare an amendment to the effect that the county allotment herein provided for shall not be applicable to cotton it would accomplish his purpose.

Mr. FORD of Mississippi. Mr. Chairman, I ask unanimous consent to withdraw the pending amendment and to prepare an amendment to meet the situation.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to withdraw the second amendment he has just offered. Is there objection?

There was no objection.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: On page 3, line 23, after the word "producers", insert "(upon which tenants and sharecroppers shall have fair representation)."

Mr. JONES. Mr. Chairman, I see no objection to this amendment.



The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

Mr. WEARIN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am pleased that the Committee on Agriculture has reported out a general farm bill. It will be remembered that I filed a petition of withdrawal on the Clerk's desk during the last session in an effort to get what was then the Flannagan bill before this House for consideration. Not that I thought the latter was perfect but because, in my judgment, a measure could have been considered, amended from the floor, and perhaps passed.

No one is able to tell us whether or not the pending bill will accomplish the desired results, but, like much other legislation for the farmer, it is aimed to bring about stability of farm prices, which is so necessary for agricultural prosperity. There is more reason why the farming interests of this country should have stability of prices and income than there is that the same conditions prevail in other lines of enterprise. I can illustrate in this manner: The average retail or wholesale business turns its working capital at least several times during the course of the year; therefore, if the market in which the operator is trading is not thoroughly stable at all times, his opportunity for profit from the year's operations still exists. On the other hand, the farmers, at least a big majority of them, market one or two major consignments of goods during the 12-month period.

In view of this fact, if the farm market has no general stability from month to month, it is not at all impossible that many producers of major products such as corn, wheat, cotton, tobacco, hogs, fat cattle, and a number of other products will be forced either for financial reasons or some other compelling motive to sell the major portion of the product of his year's labor at the bottom of what has in the past been a rapidly and extremely fluctuating market. Let us take some concrete examples of farm prices to indicate what I mean: During 1932 the month to month price on wheat ranged from 59 cents in May, when few, if any, farmers had wheat to sell, to 32.8 cents in November. Even in 1936 with the farmers receiving approximately twice the income they received in 1932 and with industrial conditions vastly better than they had been for years, the price of wheat ranged from 94.1 cents in July to \$1.266 in April. What is true from month to month is likewise true from year to year. From 1927 to 1937 the price of wheat in July ranged from a high of \$1.273 to a low of 35.6 cents in 1932.

In the case of hogs it will be noted that they fluctuated from \$2.82 per hundred in June of 1932 to a high for the year of \$4.23 in July. In 1935, which was a substantially better year for all farmers, the price of hogs ranged from a low of \$6.87 in January to a high of \$10.29 per hundred in September. The same thing that is true of wheat is likewise true of hogs from year to year, because we find that in January—and I wish to remind you I have selected all of these months at random—the same conditions prevailing in other months of the year, the price ranged from \$10.97 per hundred in 1927 to \$2.68 per hundred in the same month of 1933.

Now, my friends, I ask you frankly, is it any wonder we have a farm problem? I ask you if it is any wonder that farm bankruptcy is prevalent throughout the land, especially when you keep in mind that most producers of raw products have only a few sales per year, and unless they are better guessers than the average roller of dice or stock-market gamblers, the chances are that at least half or more of them will innocently select low months of the year in which to make their sales, having no way of determining whether or not price levels are going up or down in the weeks to come.

I have called to mind this particular thought and cited these illustrations, there being many more in connection with every farm product to illustrate as vividly as I can how important for us to avoid as much bickering as possible over details and methods involved in farm legislation and work toward a permanent constructive program. It is time to stop this business of expecting farmers to be successful palm

readers and gamblers in addition to masters of the eccentricities of nature and offer them some stability of farm prices as security for their operations. It should be evident to every Member of the House and Senate that we cannot be assured of prosperity for our producers of raw products until we reach that goal. [Applause.]

The CHAIRMAN (Mr. McCormack). The question is on agreeing to the amendment offered by the gentleman from Georgia [Mr. Tarver].

The amendment was agreed to.

Mr. GEARHART. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. GEARHART: Page 5, line 6, after the last word on line 6, following the period, insert:

"Anything in this bill to the contrary notwithstanding in determining the acreage allotment for cotton in irrigated States or irrigated counties within States, the basis shall not be less than the acreage planted to cotton in the year immediately preceding the calendar year in which the national acreage allotment is determined plus the acreage diverted under the agricultural conservation program."

Mr. GEARHART. Mr. Chairman, I note there is an erroneous use of the word "bill" in the first line of the amendment. I ask unanimous consent that that word may be changed to "act" in the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. Mr. Chairman, I beseech the sympathy of all Members in the consideration of this amendment. Unless this amendment, or one similar to it is agreed to, the further cultivation of cotton in Arizona, California, New Mexico, west Texas, and parts of Missouri will be destroyed. Unless the unconscionable application of the cruel and indefensible provisions of this bill are ameliorated, a great industry which has offered great promise in our Southwestern Commonwealths will become just a memory. Not only will the cultivation of cotton be destroyed as an important industry but 100,000 people will be deprived of employment. Great business institutions which have grown up around these cotton plantations will pass from the scene. I refer particularly to 5 great cotton-oil-crushing organizations and 120 places where cotton is compressed.

If the bill drafters had in mind the destruction of cotton in the irrigated areas when they drew this measure, they could not have possibly drawn it more expertly to accomplish their aim than the way they did. The bill provides that acreage shall be reduced—not production but acreage shall be reduced—through the operation of control provisions. So they set about reducing acres, not by determining upon an appropriate national cotton acreage to be apportioned equitably among the several States in accordance with the production figures of 1937; but, on the contrary, they devise a most complicated formula which operates disastrously against certain States and unfairly in favor of other States. By reason of the operation of this unconscionable formula California must suffer a reduction of 61 percent of its 1937 acres, whereas Oklahoma, under the same formula, will merely be called upon to sacrifice 3 percent of its acreage of the same year. The States in the old Cotton Belt are similarly favored as is the most fortunate State of Oklahoma.

I ask you, Mr. Chairman, and the other Members of the House, are you going to give the stamp of approval to such an iniquitous thing as that? Can you find it in your hearts to approve a formula which will cut 61 percent of California's acreage and favor the Southern States by cutting down their acreage not more than from 3 to 15, 16 to 19 percent? That is exactly what the bill will do to the cultivation of cotton in California.

Mr. GREEN. Will the gentleman yield?

Mr. GEARHART. I want to talk more about this amendment.

Mr. Chairman, it is desirable from the social standpoint that cotton cultivation in California shall be increased. There we pay a wage of \$2.68 to those who pick our cotton



as against an average wage of \$1.08 paid in the older cotton States. In California, through the utilization of expensive irrigation works, we are able to produce on these California acres better than a bale to the acre, whereas in the old Cotton Belt of the old South, under the conditions existing there, only one-third to one-half of a bale to the acre can be harvested from the acre unit. I mention that, Mr. Chairman, because it emphasizes the indefensible discrimination which this hated formula will impose upon the producers of cotton in the western irrigated areas. When you take one acre of California cotton land out of production, you take better than one bale out of production. When you take an acre out of production in the old Southern States you take only one-third to one-half of a bale out of existence. Again is revealed the diabolical cleverness of this base conspiracy to destroy the cultivation of cotton in the Golden State. Not only do they deprive us of 61 percent of our expensively prepared acres, but they, in unequal exchange, yield but one bale to our three.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. In this plea I am as an American merely asking from you American fair play; asking from you justice; asking from you no more than you would ask from me if conditions were reversed. It is a plea for justice, for fairness, and for equality for each of our American States, composing, as they do, a family of Commonwealths. Should California be singled out for destruction? Should we take these extreme and unfair measures to destroy a most promising industry in our Southwestern States? How absurd it becomes when we recall that California raises but 3 percent of the cotton production of the United States. Does this small insignificant 3 percent of the cotton production of the United States throw terror into the hearts of the brave men of the South, who have distinguished themselves through all of the pages of American history as men unafraid? What is it in this 3 percent that throws terror into the hearts of you of the Old South; you, the proud descendants of those intrepid heroes of the yesteryears, whose intrepid exploits command the respect and compel the admiration of a remembering world? I ask you to remember your yesterdays as I appeal to you merely to allow us to continue in this business on an equality with every other section of the country.

We believe in reduction. We believe in control. We will go along with you. But we ask that we be allowed to go along under the same reduction, the same control; to play the game under the same fair rules under which you are willing to govern yourselves—as brothers and coworkers in a great enterprise. [Applause.]

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from North Carolina.

Mr. COOLEY. Is it not a fact the State of California established its acreage in cotton within the last 2 or 3 or 5 years at a time when the other parts of the Nation were seeking to prevent the large surplus which has now accumulated?

Mr. GEARHART. Yes; California, in its turn, elected to exercise its same constitutional right to enter business which North Carolina, a few years before, chose to enter upon.

Mr. COOLEY. Now you want a different rule for California, one which would not be applicable to other sections of the country.

Mr. GEARHART. I want a rule which will apply equally to every State in this Nation. It is the drafters of this bill, through the application of an ingenious formula, that would impose a cruel special treatment upon California. We abhor it.

Mr. COOLEY. But you want a special rule for California.

Mr. GEARHART. No; we want the same rule of fairness for acre reduction which you are willing to reduce your acreage by—one that shall operate equally, without dis-

crimination against or for any part of our country. Those who framed this bill did not devise this formula for any purpose other than that of compelling California, Arizona, New Mexico, and West Texas to get out of the cotton business. If you want to reduce acreage, do it so it shall affect all alike. If you want to reduce acreage from 33,736,000 acres to 28,000,000 acres, let every State contribute the same percent of its 1937 production. That is fairness. California asks that kind of legislation.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. Will the gentleman explain why it is that California is being discriminated against? Is it because of the 5-year average yield basis, as provided in this bill?

Mr. GEARHART. Yes. There is another reason, I may say to the gentleman from Oklahoma. California in its cotton fields is furnishing employment this year to 50,000 Oklahomans, refugees from the Dust Bowl and its terrors. If the gentleman votes against this amendment he is voting to deprive his fellow Oklahomans of employment; to call the men back to Oklahoma; to tell them he voted them out of a chance to make a living on the hospitable soil of a great State that had generously offered them asylum in the days of their adversity and distress. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it sometimes seems that when you try to help a man you get hit in the neck, as the expression goes. As a matter of fact, practically all the bills which have heretofore been submitted have had a 10-year basis. We took the 5-year basis, which is just the time within which the adjustment program has been operating. We have all the States come in on the same basis and give them the average 5-year tillage during the previous 5-year period.

The effect of this amendment would be to set California off in a place by herself. While the other States would be confined to the 5-year average, California would have the privilege of planting and getting payments upon all she wanted up to the amount she planted this year, and then, as the allotments are to be made every year, she could put in each year all she wanted. Under this bill we make the allotment by taking the immediately preceding 5 years. If a man has new land he can get into the program. If a State has new land it can get into the program. If the land had been in cultivation 3 years, the allotment would get three-fourths, the next year four-fifths, and would be the full amount the fifth year.

This is a very fair provision, because it is not arbitrary like the former provisions, which took a series of years and made that basis absolute. We have a new allotment every year, and take the tilled acreage of the immediately preceding 5 years. Therefore, a State which has no production at all could gradually get into the program under this provision. However, if you adopt the amendment of the gentleman from California, California would be practically the only State which would have the privilege of planting all it wanted to all the time, with a premium offered for planting.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes; I yield to the gentleman from California.

Mr. GEARHART. Is it not true that under this reduction program, in the form contained in the bill, California's production of 1937 will be reduced from 614,000 bales to 238,000 bales, or 61 percent, whereas the average reduction other States will suffer will be less than 20 percent?

Mr. JONES. No; that is not correct at all. The figures may be accurate so far as getting soil-conservation payments are concerned.

Mr. GEARHART. I have the figures here from the Department of Agriculture.



Mr. JONES. She would not get her payments except on the percentage that she had grown on an average for 5 years, but she could grow cotton and receive her premiums during the intervening years. There will not be any allotment for marketing-quota purposes made next year, so you would have 3 years then; and not until a quota is voted would allotments for that purpose affect her at all.

Mr. GEARHART. With penalties?

Mr. JONES. You would not have any penalties until year after next since there are no marketing quotas for next year. [Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the National Grange at its recent convention in Harrisburg, attended by over 12,000 farm people from 35 States, enjoined its friends to—

Continue the soil-conservation program to help the farmer improve his land and diversify his crops, but not as a means toward production control—

And to—

Permit no legislation to be enacted which will result in either immediate or eventual regimentation of the American farmer.

It is clear that this bill violates both of these planks of the Grange platform. If passed, it will do the very things which they condemn.

I have not heard from any farmers in my district about this legislation since this special session of Congress convened, but I talked with them and with the men in charge of the administration of the soil-conservation program in Kent County, my home county, before coming back to Washington for the session, and I am convinced that the position of the National Grange represents the prevailing sentiment of the farmers and those most familiar and sympathetic with the farm problem in my district. They favor the continuation of the soil-conservation program but are opposed to regimentation or compulsory control, such as this bill contemplates, the same as the Grange is opposed to it.

The longer this debate has continued and the more one hears the bill discussed on the floor and in the corridors, the more he wonders who, if anyone, really favors the passage of it, particularly in the form in which it is presented to us. No one has endorsed it wholeheartedly in the debate, and it is stated that the American Farm Bureau, the National Grange, and the Farmers' Union, the three leading farm organizations of the country, are all, for one reason or another, opposed to it. Unless it is changed during the consideration of it under the 5-minute rule much more than I expect it to be, I shall vote against it.

In view of that situation, the recommendation of the Washington representative of the National Grange, Mr. Fred Brenckman, in the letter addressed to the Members of the House November 30, to recommit the bill is particularly pertinent and sensible. In that letter he says:

In the opinion of the National Grange, both House and Senate bills should be referred back to committee and stripped of their compulsory features. In planning a long-time program for agriculture, we should not begrudge the time nor the patience that is necessary to make it sound, workable, and constitutional.

I subscribe to that sentiment. It is conceded that this bill will not affect materially one way or the other the soil-conservation legislation or program now in effect. It does not take away or add to that program or the actual or potential benefits received under it, but it proposes to make use of the soil-conservation program for the purpose of controlling production. It would use it in the very way which the National Grange recommends against and in a way which, I believe, the great majority of farmers in my district would be opposed to.

I discussed the soil-conservation program as it is carried out in Kent County with the members of the committee responsible for its administration before coming back to Washington. They believe that the farmers need the help which it gives in order to survive and maintain themselves under existing economic conditions. I subscribe to that con-

clusion and favor the continuation of it and shall support the appropriations necessary to continue it in effect.

In this connection, I submit the following data furnished me by the Department of Agriculture relative to the soil-conservation program as it affects the Fifth Congressional District of Michigan, which I have the honor to represent.

The total gross payments to the farmers in the two counties of the district, in carrying out the 1936 program, were \$229,000, of which the farmers in Kent County received \$162,600 and those in Ottawa County \$66,400. There were 3,093 applications for payment submitted by producers in Kent County, representing an acreage of about 370,000, or 84 percent of all farm land in the county and 60 percent of the farmers.

In Ottawa County there were 1,282 applications for payment submitted by producers, representing an acreage of 119,275, or 46 percent of all farm land and 32 percent of the farmers.

As far as the 1937 program is concerned, there have been up to date in Kent County 2,986 requests for inspections, which, I am told, are usually followed by application for participation and payment; and in Ottawa County 1,833 such requests for inspection have been filed to date. These early requests for inspection, I am told by the Department, indicate a much greater number of applicants in both counties in 1937 over 1936.

I am further told that the gross payments include administrative expenses, as well as what is paid direct to the farmers, but what percentage goes for expenses I do not know.

The Kent County administrative committee told me that the checks to the farmers in the county varied from as low as 19 cents to as high as \$900.

The legislative situation in the House is such that one is almost obliged to consider the wage and hour bill in connection with this farm legislation.

It is difficult to find anyone who is willing to endorse either the wage and hour bill or this farm bill, as they are now written, and no one familiar with the legislative processes of Congress is optimistic enough to think that either one can be perfected on the floor of the House.

They are both important and involved and neither one has been well thought out or is satisfactory. They ought to be recommitted to the respective committees having jurisdiction of them for further study and consideration.

What Mr. Brenckman, the Washington representative of the National Grange, said in regard to the farm bill applies equally to the wage and hour bill, namely, that in planning a long-time program for labor and industry we should "not begrudge the time nor the patience that is necessary to make it sound, workable, and constitutional."

The rules provide that the names attached to a discharge petition shall not be disclosed until 218 Members have signed it, but there has been sufficient discussion in the public press and by word of mouth in the corridors of the wage and hour discharge petition and what has been going on in connection with it, to justify the House in taking judicial notice of some of the things that have taken place. Here are these two bills, the farm bill and the wage and hour bill, which no one apparently is for as they are presented to us, but we are told that the proponents of the two measures are entering into trades in order to get them passed. I have never been a legislative trader. I like to feel that every piece of legislation should stand on its own. This farm bill ought to be passed or defeated on its merits or lack of merit. The same is true of the wage and hour bill. If they are good, it ought not be necessary to enter into any unholy or other alliance to pass them. If they are bad, they should be defeated in spite of any such alliance.

Mr. MURDOCK of Arizona. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I want to second the remarks of my distinguished colleague from California with regard to the effect on the irrigated region of the Southwest which this



bill in its present form would have. I also want to reaffirm or confirm his statement that a great many folk have come out of the region to the east of us, or out of the Dust Bowl, into Arizona as well as into California.

The distinguished chairman of the committee was hardly correct when he said the provisions of this amendment would apply only to California. They would apply to the entire irrigated region of the Southwest. I have in my hand here a sheaf of telegrams which came to my desk this morning.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. Yes.

Mr. ZIMMERMAN. The statement has been made that this amendment applied to States like Missouri. The gentleman will admit that the provisions of this amendment would in nowise apply to new lands in Missouri, because there is no irrigation in Missouri.

Mr. WHITTINGTON. Or to new lands anywhere else.

Mr. MURDOCK of Arizona. No; it would not. As I understand it, the amendment would apply to the irrigated sections only.

Mr. JONES. Yes; but may I suggest in that connection that in the old Triple A Arizona and California, and perhaps one other State, came in and urged us to give an exemption of a certain number of acres to each State, because they had already planted, and now they want that enlarged.

Mr. MURDOCK of Arizona. I recognize, Mr. Chairman, it seems that we are asking special privileges, but that is more seeming than real. I saw an ominous shake of the head of a great many men when the word "irrigation" was used in the amendment. I know perfectly well what you are thinking and I want to point out to my friends in this House that a great deal of this cotton now grown in my State is not under gravity irrigation from any dam which has been paid for by Uncle Sam. Much new land has been planted within the last 2 or 3 years and thousands of acres watered by pumping through cheap power. Even Diesel engine power has made it possible for us to irrigate a lot of land in Arizona in this way. Expensive dams on rivers is only one way we get water onto the desert.

Now, as I said a moment ago, if the Boileau amendment should be adopted, it means a great deal of acreage that has been applied to cotton will be taken out of production, and the farmers cannot apply it to any other soil-depleting crop or turn it to dairying. What will they do?

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. Not just now, please.

I have one man in mind who will have his acreage cut to 15 percent of the amount that he used this year. He cannot pay the cost of \$50 an acre which he has already invested in that land, and that acreage is going to revert to desert.

In my home county of Maricopa there are now 10,000 school children who were not there 4 years ago. Of this number 5,000 have come from States like Oklahoma and Texas and other regions to the east of us. These people have come to Arizona and they have tried to make new homes in a new land, and unless you modify this present bill by some such amendment as my colleague from California has proposed you are going to make it impossible for these folk to earn a living.

We are willing to take our due reduction. In offering an amendment to apply only to irrigated areas we do not want to interfere with the provisions of this bill as applied to the whole cotton empire. What we would like to have is an equality of opportunity. What seems to you to be a discrimination is really not a discrimination. We are discriminated against by the terms of the bill as it now stands.

Mr. LUTHER A. JOHNSON and Mr. COOLEY rose.

Mr. MURDOCK of Arizona. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Do I understand that the justification for wanting special privileges for Arizona and

California is because of the influx of population from Oklahoma and other States?

Mr. MURDOCK of Arizona. That is only one of the justifications. These folk have come West to make a new start. A telegram I have in my hand here speaks of those who have come into my State and are now making a decent living. They have come from some place farther east, and if you do not modify this bill, these people will not be able to take care of themselves and will become objects of charity in Arizona or go back to the old homes and be objects of charity there.

[Here the gavel fell.]

Mr. DOCKWEILER. Mr. Chairman, I rise in favor of the amendment and move to strike out the last three words. The problem in the irrigated sections is entirely different from the problem of growing cotton in the South, where you have your general rainfall and nature takes care of you. Let me say this to those who in the past were prejudiced against irrigation, that there is no section in California raising cotton today that is being raised upon a section that has been made possible through Government contribution to irrigation or the building of the dam or other waterway. There are only two sections in California that raise cotton—the Central Valley section and the Imperial Valley section—and all of the cotton that we raise under the irrigation system is raised under systems that were privately built and are privately owned, and these projects have been made possible only through private capital and by the movement of people into these districts. This movement of the people has taken place very rapidly in the last 2 years, because these folks have come from the cotton-raising sections of the South, from Oklahoma, Alabama, Mississippi, and Georgia even, and have come into the State of California to do the only thing they know how to do, and that is to raise cotton. There are 600,000 acres in cotton now in California, and this has risen to this figure only in the last few years. If you compel us to abide by the historical provisions, as in this bill made, that is what our average might be over the last 5 years, you would not give us more than what my colleague from California says you would have to take from us, that is, 61 percent of the acreage now planted in cotton.

We plant today only 3 percent of the cotton produced in the United States, and yet our cotton raising is most expensive. It is very productive to those who are in that business. They have spent a tremendous sum of money. You cannot raise irrigated cotton without spending a lot of money, or without paying for a lot of expensive machinery, and the investment of these people would be wiped out, and they would be made paupers tomorrow, if we have to abide by the yardstick as set down in this bill that we have under consideration.

There is one more point I want to make. There has been much talk in recent years about taking people off non-productive land and bringing them into areas more productive under conditions where the tenant as well as the owner can make a decent living. To California these people have come, and they find that they can make a decent living planting cotton. It is more economical now to do it in California. They can produce a bale of cotton per acre, and we can pay \$2.80 a day for labor in California and still make money and a living for the tenant as well as for the owner of the property. Would it not be better if all cotton were raised in California under such conditions, than to raise it under pauperized conditions in another section of the country?

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. DOCKWEILER. Yes.

Mr. GREEN. We have precisely the same situation in my State under the tobacco clause in this bill, and the gentleman from California is right. We should not give a monopoly to one or two States of the Union to grow exclusively a farm product.

Mr. DOCKWEILER. I thank the gentleman for his contribution.



Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. DOCKWEILER. Yes.

Mr. LUTHER A. JOHNSON. If this limitation and reduction were of bales of cotton produced rather than by acreage cotton planted, I think it would be more effective, but since the reduction is of acreage rather than bales, the gentleman's country gets more benefits than my section, because you produce a bale to a bale and a half to an acre where we produce from a half to a third to the acre. This bill is upon acreage reduction rather than bale reduction, which gives California the advantage, and your producers have no right to complain.

Mr. DOCKWEILER. As I pointed out, when you take 1 acre away from us, you are taking employment away from us, and the possibility of giving employment and the possibility of making a living on these farms.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. GEARHART) there were—ayes 73, noes 111.

Mr. GEARHART. Mr. Chairman, I ask for tellers.

The CHAIRMAN. So many as favor taking this vote by tellers will stand and remain standing until counted. [After counting.] Twenty-one Members have risen, a sufficient number.

Mr. GEARHART. Mr. Chairman, I will withdraw the request for tellers.

The CHAIRMAN. Without objection, the request for tellers is withdrawn.

There was no objection.

Mr. KNUTSON. Mr. Chairman, is it proper that a request for tellers be withdrawn after the count has been announced?

The CHAIRMAN. The Chair will state that the gentleman from California, by unanimous consent, withdrew his request.

Mr. KNUTSON. I object to the request being withdrawn.

The CHAIRMAN. The Chair will state that the objection of the gentleman from Minnesota comes too late. The amendment is rejected.

So the amendment was rejected.

Mr. THOMASON of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMASON of Texas: On page 6, line 17, beginning with the word "the", strike out down to and including the word "five," in line 20, and insert in lieu thereof the following:

"The allotment to any farm on which cotton has been planted during not more than 2 of such years shall be one-half that which would otherwise be made. The allotment to any farm on which cotton has been planted during 3 of such years shall be three-quarters, and if planted during 4 of such years shall be four-fifths of the farm allotment which would otherwise be made."

Mr. JONES. Mr. Chairman, I have collaborated with members of the committee, and that amendment is satisfactory.

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

So the amendment was agreed to.

Mr. FORD of Mississippi. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. FORD of Mississippi: On page 4, line 21, after the second word "and", insert "(except in the case of cotton)."

Mr. FORD of Mississippi. Mr. Chairman, that is a perfecting amendment, and it is agreed to by the committee.

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment proposed by my colleague from Mississippi, and I say it with all deference, it strikes me would wreck the bill we have under consideration. If

you will turn to page 4, paragraph (c), beginning in line 19, and read through the paragraph, I think there can be no escape from that conclusion.

My colleague from Mississippi has offered two amendments to the said paragraphs, and has withdrawn them. I think that is evidence of the fact that they were rather hastily prepared. The amendment that we now have under consideration is just as defective as the two which he voluntarily withdrew.

In section (c) on page 4 we have a yardstick for determining acreage allotments under this section in the case of cotton, wheat, rice, tobacco, and field corn; and that yardstick for the Nation, States, and counties is—and I quote—as follows:

The National and State allotments and allotments to counties or other administrative areas shall be determined annually on the basis of the acreage devoted to the production of the commodity.

The amendment offered by my colleague inserts after the word "States" in line 21 "except cotton." In other words, there will be no yardstick for a State allotment of cotton. There will remain a yardstick—

Mr. JONES. Will the gentleman yield? If the gentleman will read the text of the amendment, he will find that the exception only applies to the county allotment and makes it conform to the amendment which the House has already agreed to.

Mr. WHITTINGTON. I will ask, Mr. Chairman, that the amendment be again reported, so that we may definitely know whether it is limited to allotments to counties.

The Clerk again reported the amendment offered by Mr. FORD of Mississippi.

Mr. JONES. That does not affect State and National allotments which come—

Mr. WHITTINGTON. I agree that the amendment excepts cotton from the basis for county allotment, but there will be no yardstick whatsoever for the allotment of cotton as among counties in a State if the amendment is adopted.

Mr. JONES. That is true; but the House has voted an amendment which eliminates county allotments. This makes it conform.

Mr. WHITTINGTON. I appreciate that the House has adopted an amendment to paragraph (3), page 6, beginning with line 5, offered by my colleague from Mississippi [Mr. FORD], and the amendment leaves this bill absolutely without any yardstick as between counties for the allotment of cotton. The remedy is to take the amendment already adopted out in conference, if I might suggest it, rather than destroy the bill by undertaking to amend it in the essential provision that we now have under consideration. In other words, the amendment already offered by my colleague and adopted, in all deference, undertook, as he stated, to correct inequalities between growers—inequalities in counties. Under the terms of that amendment a county with 1 percent of its acreage in cotton would automatically be given in Mississippi, Texas, and other States the same percentage of cotton acreage given to every other county, including counties with 60 percent of the acreage in cotton. There would be disruption of the cotton program. I repeat, it would wreck the bill. It would necessitate moving populations from one part of a State to another, from one county to another, and would prevent the State from producing its allotment. I agree that the amendment under consideration would make this section that gives us a yardstick for the allotment between counties conform to his amendment, previously adopted, but it would probably injure rather than help the small grower, and especially the grower who has diversified. The conformity would result in no rule or yardstick, and, in many cases, no production.

I submit that the amendment of my colleague already adopted should be defeated in the House or come out in conference, and that we should not repeat one mistake by making another mistake by adopting the amendment under consideration. I urge that this amendment be defeated.

I extend my remarks by calling attention to the fact that the language beginning with line 5 on page 6 and concluding



with the word "area" in line 17, has been eliminated from the bill. This language is as follows:

(3) In the case of cotton, 95 percent of the State acreage allotment shall be apportioned annually by the Secretary to the counties and other administrative areas in the State. The allotment to any county or other local administrative area shall be apportioned annually by the Secretary, through the local committee, among the farms within such county or area, on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the county or area.

The amendment offered by Mr. FORD of Mississippi was inserted in lieu of this language, and it is as follows:

(3) In the case of cotton, 95 percent of the State acreage allotment shall be apportioned annually by the Secretary among the farms within the State on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the State.

The chairman of the committee, the gentleman from Texas [Mr. JONES], opposed the amendment. He pointed out that, if adopted, there would be no yardstick for allotments among counties and in the States. The Committee of the Whole made a mistake in overruling the chairman. The adoption of the amendment illustrates the fact that amendments proposed from the floor should be most carefully considered. A bill can be easily destroyed by ill-considered amendments.

The language of the bill stricken out provides a definite yardstick for allocation between counties. The apportionments are made by the Secretary through the local committee. It is significant that there is no mention of the local committee in the Ford amendment. Apportionment by the local committee has been eliminated. The small farmer and the large farmer must deal with the Secretary at Washington. The whole structure of the bill was to bring the control of the program home to the farmer, if possible. The amendment by my colleague places the entire matter with the Secretary of Agriculture. It was inconvenient to go to the courthouse at the county seat. It will be more inconvenient for the small, as well as the large, farmers to come to Washington to confer with the Secretary.

Again, there are provisions in the bill for appeals from the allotments of the county committee. No provision is made for an appeal from the allotment of the Secretary.

The amendment is most unfair to the Secretary. He is given no criterion; he is furnished with no definite rule in the making of allocations. Whether cotton has been grown or whether dairy products have been grown, the amendment provides that each farm on which cotton has been grown, whether the percentage be small or large throughout the State, shall have the same percentage of cotton. No reference is made to counties in the amendment of Mr. FORD. The language respecting allotment between counties was stricken out of the bill by the adoption of his amendment.

There is necessity for a basis for the national allotment and for the State allotment. The rule is not changed, but when it comes to allotments within the State the definite yardstick proposed by the bill is eliminated and no yardstick at all is proposed. The matter is left entirely in the hands of the Secretary of Agriculture. Counties and farms therein may be allotted cotton and they may not grow it. The quota allowed to the State might be frozen. Under the language of the amendment of my distinguished colleague the State might not be able to grow its allotment. There are counties in Mississippi where 2 percent of the tilled acreage only is planted to cotton. There is no way to force these counties to grow cotton. There is no provision made for transferring to other counties their mandatory allotment under the amendment of Mr. FORD.

It was urged that the amendment was in behalf of the small grower, whether he be tenant or sharecropper. The

purpose to aid him may be defeated. After careful thought the committee provided for equality. There are alluvial or delta areas in some counties in Mississippi. They will constitute separate areas; they would be given their quota by the county committee. Every farm in that area with a similar production would be given equal treatment. The farms in the upland areas would be given similar treatment.

The same number of acres of fertile land will produce more than the same number of acres of worn-out or upland land. The small farmer with the fertile acres will therefore have an advantage over the small farmer with unproductive areas. Land as the grower on lowlands he must have more acres.

If the small farmer is to make as much cotton on the upland I emphasize that the very purpose of the amendment may be defeated because the small grower would not be helped and the State would lose its allotment.

Under the bill there is a definite rule or yardstick for the allotment of wheat, rice, tobacco, and field corn. No representative from those belts proposed the unworkable, discriminatory amendment under consideration. As disclosed, the representatives of the other belts were prudent enough to insist that there be a yardstick for them and are wise enough in legislative procedure to know that first and last, sooner or later, a definite yardstick is better than no yardstick at all.

In States where the other commodities are grown, there are alluvial lands and there are upland lands; there are valleys and there are hills; there are fertile lands and there are unproductive lands, yet no representative from these areas has insisted that the definite yardstick or rule for allocations between counties and the very wholesome provision for administrative areas provided by the bill should be eliminated insofar as other commodities are concerned.

Under the theory of the bill, allotments among the States and allotments among the counties were based upon the acreage devoted to the production of cotton. It was fair to all of the States and all of the counties. Consideration would have been given to all those counties that have been growing cotton. The bill provided in many ways for the farmer who had diversified, at the same time it adopted the best rule that the committee could devise to do justice among counties. The purpose has not been to transfer the production of cotton from one county to another. The theory of the bill is to maintain the production in the counties where it has been carried on.

It is inconceivable to me that a yardstick or rule for allocation among counties is in order respecting all commodities except cotton, and yet the amendment already adopted to be perfected by the adoption of the pending amendment, refers to acreage alone. No consideration is given to production. Untold discrimination against farmers, both large and small, will result.

I advocate no aid for the large grower of cotton that is not accorded to the small grower. I advocate no benefits for the owner that are not accorded to the sharecropper and the tenant. Generally, large cotton farms are an aggregation of tenants and sharecroppers. Wherever production is curtailed it means that other crops must be grown. If the acres are reduced in California or Mississippi it means certain readjustments.

The bill under consideration, in an effort to protect the small grower, contains a provision that not more than 60 percent of the tilled acreage can be grown to cotton. This applies to valley and hill land. I am advised that an amendment is to be offered exempting 1,500 pounds of lint cotton to every grower. Certainly this is for the benefit of the small grower.

In the valleys in all of the States of the South the lands are adaptable to the cultivation of cotton. If cotton cannot be grown, if these lands are to be idle, highways will not be constructed and schools will not be maintained in the upland or hill counties for the fertile and productive lands pay a large part of the States' taxes.

All cotton farmers in all of the States should have equal treatment. Allocations among the States and among counties under the theory of the bill are based upon pro-



duction. The discriminations have been within the counties. The bill contemplates that the county committees shall treat all upland lands alike and all bottom lands alike. All growers during the past 5 and the past 10 years are to be treated alike. The adoption of the pending amendment, without any rule or yardstick for the allocation among counties, will disrupt the economic structure in practically every cotton-growing State. It costs money to convert a corn plantation into a cotton plantation; it requires many improvements. It costs much to provide for shifts in population from one county and from one State to another. The amendment would result in much expenditure, many discriminations, and in the loss of cotton production to practically every cotton-growing State by freezing cotton production in allowing the same number of acres of cotton to all of the tilled lands in the entire State, whether cotton can be economically produced as a money crop in all of the counties or not.

There must be a reduction in cotton acres. All should be treated alike and all should be given similar production. Unless a rule or yardstick is provided, uncertainties and discriminations will result. I trust that the House will reject both the original and perfecting amendments proposed by my colleague, Mr. FORD. If retained, they will make the cotton provisions unworkable and would thus destroy the cotton program.

Mr. FORD of Mississippi. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Mississippi has already spoken on the amendment.

Mr. JONES. Mr. Chairman, I do not favor the adoption of the amendment, but I think this amendment should be adopted to make the bill conform to the action of the House. I think that is fair. [Applause.] If the House, when it comes to a separate vote, sees fit to strike them out they can strike both out as well as one.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. LUCAS. On page 4, line 20, has the word "cotton" been stricken in any amendment?

Mr. JONES. No.

Mr. LUCAS. Will it be any different under the operation of this amendment?

Mr. JONES. No; this is just the county allotment.

Mr. LUCAS. Would it make any difference with the word "cotton" remaining in line 25 on the same page?

Mr. JONES. No; because that is just the 5-year basis with respect to States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. ZIMMERMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZIMMERMAN: Amend subsection 1 of section (c) of section 2 as follows: On page 5, strike out all of line 6 after the word "and" and insert in lieu thereof the following: "trends in increase or decrease in cotton acreage and adaptability of soil for cotton production."

Mr. ZIMMERMAN. Mr. Chairman, on yesterday I talked to you for a few minutes about the inequalities and injustices which had been rendered my State in the matter of State allotment of cotton. This amendment is offered with the hope that it will be adopted and that it will in some degree enable us to remedy this inequality and injustice.

The situation in my State is this: We have been producing cotton in Missouri for a long time, almost as long as the Mississippi Valley has been inhabited. New Madrid in my district is one of the oldest towns in the Mississippi Valley and has existed under the flags of three foreign nations—a very interesting story, indeed. We are not a new cotton-producing State, but it so happens that in Missouri about eight counties are in the so-called delta section and comprise the area where cotton is the chief money crop. Originally, much of that land was covered by vast hardwood forests.

Some of you, no doubt, have recently read about the largest oak tree in the world, which happens to be located in my district down in Mississippi County. Before these lands were ever cleared and put into cultivation, and long before any farm program was inaugurated by the Government, drainage districts were organized in this section and the land was drained at great expense and cost to the landowners. It might be of interest to some of you to know that the largest drainage district in the world is located in my congressional district, the Little River drainage district, which is over 100 miles long. More dirt was moved in constructing the works of that drainage district than in the construction of the Panama Canal.

After the timber was cut from these lands and marketed, the land was placed on the market for agricultural purposes; and, as I told you yesterday, people have come there in recent years from all sections of the country and have bought land, cleared farms, and established homes. But, Mr. Chairman, bear in mind that the percentage of land that has been put into cultivation within the last couple of years is very high when compared with the acreage which we had in cultivation some years ago. For this reason, unless some consideration is given to the new land situation, Missouri will, when the State allotment is made under this program, be unjustly discriminated against, as we have been in the past.

I call attention to the further fact that when this cotton program started there was in fact no allotment of cotton to the State of Missouri because those who prepared the cotton program did not know that Missouri was one of the greatest producing States in the Union. As I told you yesterday, the production of cotton in Missouri is greater than in any State in the Union except in the States with irrigated districts.

Mr. Chairman, the only way we can get away from the injustice of the 5-year plan set out in this bill is to adopt the provisions of this simple amendment which requires the Secretary of Agriculture to take into consideration trends in increasing or decreasing acreage and the adaptability of the land for the growing of cotton. That is the only factor that can be taken into consideration to do justice to the people of my State and to the people of northeast Arkansas where my colleague, Judge DRIVER, lives.

I hope this amendment will be adopted. It will not do violence to this program in any way but will just give us a fair chance under the program. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment. In opposing this amendment, Mr. Chairman, I only desire to call attention to the fact that we already have the term "trends of acreage" in the bill. Rather than have an indefinite term like that used in the amendment offered by the gentleman from Missouri, we placed a provision in the bill that sets aside 2½ percent of the total allotment that may be used for new acreage and new production. Two and a half percent of the allotment may be used for that purpose.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. ZIMMERMAN. The gentleman will concede that because of the relatively small acreage of cotton land in Missouri before the program started coupled with this increase of cotton acreage due to the clearing up of these new lands, that 2½ percent would be infinitesimally small and would do practically nothing for them.

Mr. JONES. I call the attention of the gentleman and of the Members of the House to this provision of the bill through which we have taken care of new acreage, as we did the question raised by my friend from California, by having a separate annual allotment each year. Heretofore the bills have set a certain number of years and that became fixed. In fixing the new allotment the previous 5-year planting will be taken into consideration. This will enable new land to be brought in gradually and will keep



from freezing the whole production area. In addition we hold back 2½ percent in each State for allotment in that State. The allotment for this purpose amounts to a good deal.

Mr. FERGUSON. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. Mr. Chairman, in the case of Oklahoma a million acres have been diverted from cotton in the southern part of the State to wheat in the last 3 years. While cotton lands may be diverted to wheat, the wheat district, which I represent, cannot be diverted to cotton. Undoubtedly when the quota from Oklahoma is fixed, the one-crop wheat district, which I represent, will suffer from the encroachments of the last 3 years and, I think, that would be true in the gentleman's district.

Mr. JONES. This bill takes care of that situation, in that where there is more than one of these soil-depleting crops, the two may be combined and together the average cannot exceed a prescribed percentage. Then the bill makes provision for changes in trends in acreage, which would cover that proposition. The amount that is held back as a reserve will also help to handle it, so that with the combination of the three the situation will be very well taken care of.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. There are many projects involving new lands, such as drainage and irrigation districts, that have required the expenditure of a large amount of money and a great outlay has been made. In such cases 2½ percent is not enough. It ought to be at least 5.

Mr. JONES. This is on an acreage basis. All of these allotments are changed from production to the acreage basis and that is where you get the advantage. All the irrigated areas will have an advantage and, it seems to me, instead of fighting this you would prefer this bill rather than another bill you might get.

[Here the gavel fell.]

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have grave sympathy for the cause advocated by my distinguished colleague from Missouri. I know just what he is up against in this proposition, which he hopes to cure with this amendment. As a matter of fact I had prepared an amendment along similar lines myself. The problem of acreage, under these reduction programs, for the new farmer is most perplexing.

I live in a district that formerly was covered, as I attempted to say yesterday, with virgin pine. The sawmills came in there and gradually cut out the timber. The result is that today there are thousands of people who were formerly engaged in the production of lumber; with these lands denuded of their timber and the sawmills gone they have nothing to turn to except the production of cotton. In other words, we are going through a transitory period from the production of lumber to agriculture or something else. We have to go to agriculture because we do not know where else to go. It is a grave problem which confronts my friend in the representation of his constituency, as it is in my case.

I realize there is the 2½-percent provision here but, as the gentleman from Missouri stated, I doubt seriously whether that will amount to anything substantial in the way of relief for our constituents. I hope, Mr. Chairman, that the Committee on Agriculture will give consideration to the amendment. I know what the committee is up against. I know that it has done a good job in light of the problems the committee faced. I do not like to rise here in opposition to the wishes of the committee, but we have our own problems in our own particular districts that we have to consider and we must bring those problems to your attention.

Can we afford to say to the former sawmill and factory worker that because you have not heretofore grown cotton that you are prohibited from engaging in that industry? What are they to do? Must they be forced into the relief rolls?

Mr. Chairman, I hope the amendment will be agreed to. [Here the gavel fell.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri [Mr. ZIMMERMAN].

The question was taken; and on a division (demanded by Mr. ZIMMERMAN) there were—ayes 39, noes 47.

So the amendment was rejected.

Mr. MAHON of Texas. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MAHON of Texas: Page 6, line 20, strike out the period, insert a colon, and add the following: "Provided, however, If such farms do not exceed in acreage the family-sized farm unit for such county or administrative area as determined by the Secretary and are farmed by owner-operators, tenants, or sharecroppers, then such farms shall receive the same acreage allotments that they would have received had they been planted to cotton for the full 5-year period."

Mr. JONES. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MAHON of Texas. Mr. Chairman, when the reading of the bill began under the 5-minute rule I sent to the Clerk's desk the amendment just read, which merely provides that farmers on new farms in a county who have farmed their cotton acreage less than 5 years, and those farms are not greater in size than the average family-size farm for that county, these men shall receive the same acreage allotment as those who have farmed their cotton acreage for a period of 5 years or more.

I present this amendment because there are 20,000 people living on cotton farms in my congressional district who will be disastrously affected if the amendment is not agreed to. In other words, the farm population in my district increased from 1920 to 1930 by 114,000 and that increase has continued. There are at least 20,000 people or more living on cotton farms in my district who will get just one-fifth or two-fifths, as the bill now provides, of the allotment that their neighbors will receive. This is very unfair.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. MAHON of Texas. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Does the gentleman's amendment increase the allotment to the county or simply the distribution of the allotment in the county?

Mr. MAHON of Texas. The amendment would in no way discriminate against any other county. It would not affect the allotment which goes to the county; however, the amendment would provide that all farmers within the county who have been farming their lands for 1 year or more shall receive the same percentage basis of allotment. I offer the amendment in order to prevent that discrimination, unrest, and dissatisfaction which has prevailed under former programs when a man across the road from his neighbor received entirely different consideration from the Department of Agriculture.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. MAHON of Texas. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. Is it not true in the gentleman's district that unless these people get a sufficient allotment to enable them to stay on the farm they will have to go back to the town and go on the dole?

Mr. MAHON of Texas. My able friend is correct. If this amendment is not adopted or the situation taken care of in conference before the passage of this bill, it will mean, in my judgment, that about 20,000 people in my district cannot possibly subsist under the situation provided for under this bill. This is nothing short of tragedy.

Under the cotton system of farming, as everyone knows, about 7 farmers out of 10 are tenant farmers. Under this bill, if a tenant rents his farm from one landlord, he may get just two-fifths the allotment his neighbor will get who rents from another landlord whose land has been in cultivation for more than 5 years.



Mr. MILLS. If the gentleman will yield, I have offered a similar amendment, which I will withdraw if the committee will adopt this amendment, and I hope it will.

Mr. MAHON of Texas. I thank the gentleman for his interest and cooperation. I know of his diligent labor in behalf of his people. I believe if we are going to have a just program we ought to consider the humanity involved in the program. We ought not to drive out of one county in my district to which I have reference, approximately 2,000 people who have been on that land for only a short time, not because of any Government program, but in spite of the Government program, endeavoring to make a living for themselves. As I see it, it is going to be absolutely necessary to take care of these people somewhere, so why not let them have an allotment equivalent to the allotment of those who have been on their farms for 5 years, in order that they may be able to subsist.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. MAHON of Texas. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman mentioned a while ago that this was within the county. Does the gentleman understand an amendment recently adopted has abolished county lines?

Mr. MAHON of Texas. I understand that the amendment just adopted may have that effect.

Mr. CRAWFORD. Does the gentleman believe the bill as now presented will have the effect of conferring proprietary or productive rights on certain farmers and denying such rights to others?

Mr. MAHON of Texas. I believe the gentleman is right in his deduction. Whether a man has farmed 2 years or a hundred years, he ought to be treated on the same dead level of equality. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from Texas [Mr. JONES] insist on his point of order?

Mr. JONES. I do, Mr. Chairman.

In view of the fact an amendment has been adopted which practically accomplishes the major purpose of the pending amendment, and since the proposed amendment is offered to that amendment, it is therefore subject to a point of order.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule.

The gentleman from Texas [Mr. THOMASON] offered an amendment which was agreed to by the committee. This is an attempt to amend the amendment offered by the gentleman from Texas [Mr. THOMASON], which has already been agreed to.

For the reason stated, the Chair sustains the point of order.

Mr. O'CONNOR of Montana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR of Montana: Page 5, line 13, after the word "farm", insert "except in determining the acreage allotment for wheat in irrigated counties within States the basis shall not be less than the acreage planted to wheat in the year immediately preceding the calendar year in which the national acreage allotment is determined, plus the acreage diverted under the agricultural conservation program."

Mr. JONES rose.

Mr. O'CONNOR of Montana. Mr. Chairman, I yield to the gentleman from Texas.

Mr. JONES. Mr. Chairman, I would like to finish the consideration of this section tonight, read the next section, and then have the Committee rise without offering any further amendments.

Mr. MAHON of Texas. Mr. Chairman, I have an amendment to offer.

Mr. JONES. Mr. Chairman, I ask unanimous consent that debate on the pending amendment and all amendments thereto close in 7 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'CONNOR of Montana. Mr. Chairman, you will recall that early in the consideration of this bill the distinguished chairman said, and he was very fair about it, that he did not view the bill that he offered to the Members here as being perfect, but that it could be amended upon the floor of the House.

Mr. Chairman, it will also be recalled that I asked the distinguished gentleman from Kansas in the course of general debate if the livestock industry had any protection in this bill. He very frankly said he could see very little for it in the bill. It has likewise been stated upon the floor of the House, and it is without dispute, that the livestock industry is the most important class of any of the farming industries throughout the United States. The packing industry ranking first.

Of course, we of the Northwest are slightly disappointed, because we have no protection in the bill. However, that is no fault of the distinguished chairman or his committee. I realize the splendid work he has done and that he is to be complimented therefor. I am impressed with his arguments all the way through before the House and with his fairness. He said you cannot build a completed automobile the first year, and in that he is correct. We cannot have a perfect bill here the first time it is written, but this measure is a great step in the right direction. If there is any one industry throughout the United States that needs help and protection, it is the farming and the livestock industry which has been neglected ever since the beginning of this form of government.

Now, I ask the Members present here this afternoon, while we are not getting much under this bill, to give us some consideration in connection with our wheat problem in the Northwest. We raise some wheat by irrigation and I am asking that this bill be made a little more elastic so that the Secretary of Agriculture may give us more rights with reference to our allotments in Montana on newly irrigated lands. In other words, I am appealing to you men here this afternoon to give us the same consideration in the Northwest with reference to the production of wheat on irrigated lands that you have just voted to the cotton industry in the South, and bear in mind that I am in favor of protecting the cotton industry of the South the same as the wheat industry of the North, the same as the dairy industry, and the same as the rice and every other industry including corn, and so forth; but we of the Northwest are also entitled to consideration, and I hope the members of the committee here this afternoon will vote for this amendment and give us the same consideration you have just extended to the people who grow cotton, not only in California but all over the South. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, this is practically the same amendment with respect to wheat as the one that was offered as to cotton, giving a preference to irrigated areas. I believe, in view of the adoption of the provisions with reference to trends in acreage and with reference to a 50-percent allotment after the first year instead of an allotment which increases only one-fifth for each year, the situation is pretty well taken care of without the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. O'CONNOR].

The amendment was rejected.

Mr. MAHON of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAHON of Texas: On page 6, line 17, after the period, insert the following: "The allotment to any farm which was not in cultivation the previous year and which is suitable for cotton production and ordinarily would have been used for cotton production, such determination to be made by the Secretary, shall be not less than 75 percent of the county average."

Mr. JONES. Mr. Chairman, I reserve the point of order on that.

Mr. MAHON of Texas. Mr. Chairman, my amendment is an amendment which I heretofore discussed during general



debate, and since the chairman of the committee and the committee are unwilling to accept it, of course I have no hope of getting it passed, but I do want to offer it, because it is vitally important to the people whom I represent.

At this time I would like to direct the attention of the chairman of the committee to page 6, and to the sentence beginning on line 20:

Two and one-half percent of the State acreage allotment shall be apportioned to farms in such States which were not used for cotton production during any of the 5 calendar years preceding the year for which the allotment is made.

And so forth. I do this to ask the chairman if that would include new land?

Mr. JONES. That would include new land. Will the gentleman yield?

Mr. MAHON of Texas. Yes.

Mr. JONES. I want to state, Mr. Chairman, in reference to the other amendment to which I make the point of order, that the gentleman was diligent. I think the amendment offered by his colleague and mine [Mr. THOMASON] will in large measure accomplish the purpose for which the gentleman has striven so diligently all of the sessions of the House. If a man has had any production at all, the amendment provides that the smallest allotment would be 50 percent of what it had been if he had produced for 5 years. It starts from there and gradually goes up to a full allotment at the end of the 5-year period. It takes care of the land that has been in production only part of the time, and I think this takes care largely of the new land.

Mr. MAHON of Texas. I do not agree that the amendment offered by the gentleman from Texas [Mr. THOMASON] is at all adequate. I know that the gentleman [Mr. THOMASON] would have offered a more liberal amendment if the Committee on Agriculture would have agreed to it. He did the best that could possibly be done under the circumstances. Unfortunately, the amendment adopted will not be of much help. It will not prevent discrimination among farmers living in the same community. It will not take care of the tenant farmer who rents a farm that has been in cultivation less than 5 years. This bill, if not amended as I have suggested, would not make adequate room for development of new land in a growing area such as I represent. This section of the bill undertakes to stop the wheels of development and progress in all rapidly growing sections. I particularly refer to the western portion of the district which I represent.

I have presented the needs of these people to the House, and they have been turned down. Many of the farmers being denied an adequate and fair acreage allotment will be driven from their farms to the relief office.

Mr. JONES. Mr. Chairman, I make the point of order that the amendment has already been adopted to that particular provision of the bill.

The CHAIRMAN. The point of order is sustained.

Mr. ELLIOTT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. ELLIOTT: Page 5, line 6, after the period, insert a colon and the following: "Provided, That in the case of cotton the total allotments for any State shall not be less than 70 percent of the acreage production for the preceding calendar year."

Mr. JONES. Mr. Chairman, I ask unanimous consent that debate upon this amendment and all amendments thereto close in 6 minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that debate upon this amendment and all amendments thereto close in 6 minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from California is recognized for 3 minutes.

Mr. ELLIOTT. Mr. Chairman, in offering this amendment I admit that the new grower is the one I am going to make the appeal for to the House of Representatives. I am doing this for the interest of the man and the woman

and the children that have started in the cotton business, to protect their own families. It is something that the President asked just a few short months ago, namely, that people in the cities who had no jobs might go out to the farming areas, and we have in California today thousands of people who have drifted west and part of those people have become engaged in the cotton industry. I had the privilege of sitting on a farm debt-adjustment board in California for 2 years, starting in the year 1935, and we worked out problems, and succeeded in getting money and provided various channels whereby the man that was on the dole system would be able to care for his wife and children as you and I like to do. I appeal to you not for the big businessman, who has 4 or 5 thousand acres, but I appeal to you for the man who went in business in 1936 and 1937 and did not know that this curtailment of production was going to be asked, and who was just at the point where it seems to him that he is going to have a happy Christmas and a prosperous and happy New Year. We are now going to cut that man off and return him back to the dole system which I think is un-American. It does not make good citizens of such people to have them on the dole, because they want to be successful in life as I said all of us do.

So I appeal to you to give us a little more acreage in California on account of the fact that we are overburdened with people from other States. They are not really our problem, they should be a Federal charge. However, at this time they are charges upon the taxpayers of the State of California.

The CHAIRMAN. The time of the gentleman from California [Mr. ELLIOTT] has expired.

Mr. JONES. Mr. Chairman, this amendment, I fear, would upset the whole schedule and make it unfair as between different States. We have undertaken to care for the new production in the regular way so as to treat all States alike. This sort of provision would be especially unfair in view of the fact that the old A. A. A. amendments were made which granted certain exemptions to States. These amendments included two or three of those States—California, Arizona, and Missouri, I believe—so that they could grow a certain amount without being subject to the program. This would give an added advantage to them. They seem to think that we are keeping people from growing cotton. We do not. We have this arrangement so that an allotment is made each year. The allotment, where in 1 year any cotton at all is grown, must be one-half as much as it otherwise would have been had it been grown for 5 years, so that a man can get his allotment and get his recognition and gradually come into the program fully within 4 years.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, when the President convened this Congress in extraordinary session for the primary purpose of considering passage of farm-relief legislation I entertained high hopes that this Congress would lay aside every interest except that of giving to the producers of our agricultural necessities the same consideration that is now enjoyed by American labor and producers and fabricators of other commodities.

I do not conceive it to be necessary that I picture to you the deplorable condition of some 30,000,000 of our citizens who toil through long hours in heat and cold to supply the primary needs of our people. Their poverty, especially among the cotton-producing population, is too well known to require comment. Their poor homes, their meager clothing, their lack of proper food even, cry to us, as their representatives, to correct this economic injustice and give to them a decent standard of living.

During past years a large percentage of our American-grown cotton has been sold in foreign markets. This has accounted to a very large degree for the favorable balance of trade which this Nation has enjoyed. In recent years, under the program of restricted production, our foreign



market for cotton has been reduced materially, resulting in a large increase of foreign production of this commodity and a corresponding reduction of our favorable trade balance with foreign nations. This balance is at present actually against us. The world price of cotton cannot be controlled through reduction of production in the United States. Other countries are growing too much for that result already, and they will grow more as we reduce our production. Experience has demonstrated this.

With the southern farmer producing a surplus for foreign markets, it is impossible for him to enjoy the protection of our tariff laws, although he is required to purchase practically everything not grown on his farm under a protected market. I do not feel that the production of cotton should be reduced to the extent of supplying only our domestic needs. This would result at present in unbalancing the labor conditions in the agricultural districts and perhaps throwing many farm tenants on relief. There should be two market prices of cotton, a domestic market price and a foreign market price. The domestic price should be sufficiently high to guarantee to the cotton producer parity values for this commodity. Any surplus produced above domestic needs should be disposed of by the farmer upon the world market, and the Government should assist him in doing this to the extent of its ability.

In order that this may be possible, it will, of course, be necessary that there be a national allotment for domestic consumption determined by the Department of Agriculture and a domestic allotment made to each individual farm. This allotment must be fair and equitable to the producers of this basic farm commodity. The small producer should be protected to the extent that he may have a decent standard of living assured him. The law should establish a basis for making this allotment and not leave too much to the discretion of any administering agency.

Cotton is the only product for which there is a ready market in many States of the South, and the 40- and 80-acre farm owner, as well as the tenant, must rely almost exclusively upon this commodity as a source of cash income. For this reason, we should be very much concerned and use every effort to see that the individual families engaged in this business receive a fair share of the domestic market. In my judgment the domestic allotment for each cotton farm should be a certain percentage of the cotton production capacity of that farm, and this percentage should be equal for all farms producing cotton. No family, relying principally upon farming as a means of livelihood, should receive less than 1,500 pounds of lint cotton as a domestic allotment; provided, however, that not more than 50 percent of the actually cultivated acreage on any farm should be devoted to cotton.

Other industries of this country have for many years been protected against competition of similar foreign industries through high tariffs. Labor is given governmental protection of its right to organize and thereby obtain increases in pay thus assuring it a high standard of living and increasing the costs of manufactured goods which the farmer must buy. Why not give to the farmer this same kind of protection and give to them the domestic market, which at present is employed, to a large extent, by foreigners? I do not believe that we should go to any foreign nation and purchase farm commodities which can be supplied by our American farmer until he has demonstrated his inability to supply our home needs.

We are importing this year hundreds of millions of pounds of beef, pork, mutton, butter, and cheese from foreign nations as well as many more millions of pounds of commodities that compete with our agricultural products in the manufacturing industries. These imports actually extend into the billions of dollars in value. If the farm products imported into this country annually, and which we are capable of producing, were grown by our own farmers, there would be no necessity to retire any acreage from cultivation. Give to American agriculture its own home market, pay parity prices for these domestically consumed products, continue

soil-conservation payments on a fair basis, and you have solved the relief problem of the agricultural districts. Let us see that this is done.

I had hoped for simple and direct legislation touching this subject. It should provide for parity prices for farm products consumed at home, being careful that the home market is distributed among all producers on a fair and equitable basis. It should provide for commodity loans on the domestic allotment based upon at least 90 percent of the parity price of the produce. The interest and insurance rates on these loans should be low so as to enable the farmer to hold his produce off the market. And it should give to the American farmer the American market to the extent that he is able to supply it.

In my humble judgment, when these ends have been accomplished, the farmer will enjoy a period of prosperity seldom experienced in our history, and labor and manufacturers will likewise share in the benefits flowing therefrom.

Mr. Chairman, I have stated briefly my conception of the most desirable form of legislation governing the production of cotton and which I believe would apply equally well in principal to other farm commodities. I believe the bill now under consideration, if enacted into law, would be a great improvement over the present law, provided the acreage allotment apportioned to the several cotton farms should be made on a fair and just basis. Provision has been made for such an apportionment by the amendment to section 355, subhead (b), and already adopted by this committee, which provides that the State acreage allotment shall be apportioned annually among the farms within the State so that the allotment of each farm shall be a prescribed percentage of the tilled acres of the farm, which percentage shall be the same for all farms in the State. I hope this amendment is retained. The base acreage allowed each individual farm is the very heart of the legislation. Distribute it fairly and you will get the cooperation of the farmer and retain his respect; make it discriminatory and the whole purpose of the law will fail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ELLIOTT].

The amendment was rejected.

Mr. PACE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PACE: Page 7, line 6, after the word "tenants", add the word "sharecroppers."

Mr. PACE. Mr. Chairman, in the allotment of the acreage, 95 percent is allotted under a general plan. Two and one-half percent is saved back to be allotted to the farmers who have not engaged in cotton cultivation during the last 5 years. Then the second 2½ percent is saved back, to be distributed among owners and tenants, as provided on page 7.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. JONES. I am asking for information. In my section we do not have the sharecropper system.

Mr. PACE. I want to explain that.

Mr. JONES. I think I understand it, but the gentleman from South Carolina [Mr. FULMER] makes the statement, and he is a thorough student of these things, that allotments are not made to sharecroppers; that they are made to landlords.

Mr. PACE. I will explain that. The other 2½ percent is saved back under the bill, and it is provided that it shall be divided among those farmers, owners, and tenants who do not have as much as 15 acres. In my country we operate this way: An owner operates part of the land himself. He will rent some to a tenant. He will cultivate—

Mr. JONES. Will the gentleman yield again?

Mr. PACE. I yield.

Mr. JONES. This applies only to the 2½-percent reserve?

Mr. PACE. That is correct.

Mr. JONES. Personally, I do not see any objection to that.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.



Mr. COOLEY. I would like to ask the gentleman what effect that would have in the event a sharecropper abandons his crop and walks off the place? Would not the allotment follow the person rather than the property?

Mr. PACE. No. It would follow the land.

Mr. COOLEY. Well, a sharecropper might abandon the crop in the middle of the year.

Mr. PACE. A tenant could do the same thing.

Mr. COOLEY. But in that event the allotment would remain with the property rather than the person.

Mr. PACE. Does not the gentleman think that is such a rare occurrence that it is not sufficient to change the rule?

Mr. COOLEY. Is the effect of the gentleman's amendment to give to the sharecropper, as a person, an allotment?

Mr. PACE. No; it is not. It is where he is, under the general rule, raising like the tenant, less than 15 acres. Then under rules and regulations issued by and subject to the discretion of the Secretary of Agriculture, his allotment can be increased.

Mr. COOLEY. Under the bill no allotment is made to a sharecropper, but the allotment is made to the owner or to the person who stands in the place of the owner, namely, the renter.

Mr. PACE. A large percentage of our cotton is raised by sharecroppers. Let us assume that an owner has 10 sharecroppers. He has a 100-acre allotment. That gives each sharecropper 10 acres. That is all he could get under the bill as it is, but a tenant could get 15 acres plus. So why discriminate against the sharecropper, who is just as unfortunate as the man who rents?

Mr. COOLEY. Under the system which prevails in the gentleman's State is it not a fact that under this bill the allotment will be given to the landlord who lets that out to his tenant?

Mr. PACE. That is right.

Mr. COOLEY. The effect of the gentleman's amendment, giving an increase to the sharecropper, inevitably increases the allotment to the landowner himself, however big he may be.

Mr. PACE. The sharecropper is the poorest man we have. He needs 15 acres as much as the owner or the tenant does; yet, under the terms of the bill, he is discriminated against. The gentleman understands there is only 2½ percent of the acreage involved here.

Mr. COOLEY. But if he is discriminated against, he is discriminated against by the landlord, not by this bill.

Mr. PACE. Because the bill has held the landlord down to where the landlord has not enough acreage to distribute among his sharecroppers who need 15 acres each.

Mr. COOLEY. The effect of the gentleman's amendment would be to increase the landlord's allotment.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask for recognition, and I want to talk informally about this thing a little further. Would it suit the gentleman from Georgia to use language in effect which states, "giving consideration to the sharecropper in making the allotment"? We do not want to complicate this thing.

Mr. PACE. Neither do I.

Mr. JONES. I am in thorough accord, may I state to the gentleman, in his desire to protect the sharecropper.

Mr. PACE. If the gentleman will permit, he is protected only by this language in line 10 of page 7: "Such additional allotment shall be made upon such basis as the Secretary deems fair and equitable." That is all the bill has to say about it.

Mr. JONES. In the opinion of the gentleman from North Carolina [Mr. COOLEY], who has made a study of this section, the language of the section would confine the provision to sharecroppers operating farms.

Mr. COOLEY. Operating farms to which an allotment not exceeding 15 acres had been made.

Mr. PACE. That is right; and I want it to apply to the sharecropper.

Mr. JONES. So none of this would go to the big farmer.

Mr. PACE. No; and the sharecropper must have received his land from the landlord, say 30 acres. John Smith says, "Under my 30 acres I have but 8 acres in cotton; Bill Brown over here has 30, and he has only 8 acres in cotton, but Bill Brown can apply for more, while I cannot." I want to see John Smith have a larger allotment; I want to see him pulled up on an equality with Bill Brown. The sharecropper needs protection as much as the tenant.

Mr. COOLEY. But the terms of the bill provide an allotment not exceeding 15 acres has been made.

Mr. PACE. That is right.

Mr. COOLEY. If a man has a 100-acre farm divided among his tenants, it would mean that 15 acres had been allotted to that farm, and then his sharecroppers could not possibly continue under the law as it stands now. They would have to get their allotment from the landlord. Under the gentleman's amendment each sharecropper's portion of the farm would be treated as a separate farm and the allotment increased.

Mr. PACE. That is right.

Mr. COOLEY. That is the reason I objected to it; it would increase the allotment to the landlord, the big farmer.

Mr. PACE. But it will be under such rules and regulations as the Secretary of Agriculture believes to be fair and equitable and I think certainly that would take care of anything the gentleman has in mind. I hope very much that the Chairman will help me aid the sharecroppers who comprise the great majority of our farmers.

Mr. JONES. Mr. Chairman, will the gentleman yield for a further question?

Mr. PACE. I yield.

Mr. JONES. Under the gentleman's amendment could not the landlord by increasing the number of his sharecroppers likewise in proportion increase the total allotment?

Mr. PACE. He could, and if the Secretary of Agriculture found that it was going that way he would not permit it, and the gentleman knows that he would not. Under the bill as it now stands a great injustice is being done. All I ask is that the sharecropper be given the same rights and treatment as the tenants, that they be placed on the same basis.

This 2½ percent of the cotton acreage is specially set aside to equalize allotments and correct injustices. It will be distributed by the local county committees and they will see to it that no unfair advantage is gained.

Mr. JONES. Mr. Chairman, may I propound a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. JONES. Would it be possible for me to ask unanimous consent to allow this amendment to remain pending and to return to it later for final disposition?

Mr. PACE. I will consent to that.

The CHAIRMAN. The Chair will entertain a unanimous consent request to that effect if the gentleman desires to submit it.

Mr. JONES. Mr. Chairman, I ask unanimous consent that this amendment may be considered as pending and in the meantime we will go on to the next section, with the understanding that we will return to this section for the purpose of disposing of the amendment and for no other purpose.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Arizona: Page 8, line 13, after the word "the", strike out "ten" and insert "five."

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 7 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.



Mr. MURDOCK of Arizona. Mr. Chairman, I have two reasons for offering this amendment. It seems to me it is only fair that this amendment should be agreed to. It refers to the benefits arising under the bill, and I am frank to confess I am rather selfish in regard to this matter, because I observed by looking over the records of the past 5 years that the yield in the State of Arizona has been greater during the past 5 years than during the preceding 5 years. That is one reason why I think the change ought to be made, and I hope my amendment will be agreed to.

Let me remind my colleagues that two provisions have already been agreed to which will work a great hardship on the cotton farmers of Arizona. Some of them will be driven out of business.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. May I call the gentleman's attention to the fact that on page 58, in connection with the definition of the words "normal yield," the yield is for the previous 5 years, whereas the language the gentleman is undertaking to correct is the previous 10 years. In my judgment, the gentleman's amendment should be agreed to. The definition on page 58 and the gentleman's amendment will then be reconciled.

Mr. MURDOCK of Arizona. I think so. As a correction as well as a matter of justice the amendment should be agreed to.

Mr. JONES. Mr. Chairman, before final action is taken on the gentleman's amendment I want to look it over; therefore, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, had come to no resolution thereon.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SWEENEY, for 1 week, on account of illness in family.

To Mr. BOEHNE (at the request of Mr. GREENWOOD), indefinitely, on account of illness.

To Mr. ATKINSON, for 10 days, or until December 15, 1937, on account of official business.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

#### WAGE AND HOUR BILL

Mr. SMITH of Washington. Mr. Speaker, the securing this afternoon of the final signatures necessary to complete the discharge petition on the wage and hour bill and freeing it from the Rules Committee for legislative action constitutes a noteworthy victory for the cause of progressivism in government. I was one of the first Members of the House—I believe mine was the sixth signature—to sign the petition, and I desire to compliment our colleagues who have led our forces with such marked success in this fight for higher wages, shorter hours, and better working conditions for the laboring men and women of America.

The distinguished chairman of the great Committee on Labor, the gentlewoman from New Jersey [Mrs. NORRON], is entitled to the highest credit for her superb leadership, as are also the members of her committee who have supported her tireless efforts. The discharging of the Rules Committee and bringing of the bill before the House for consideration, debate, and amendment is also a signal victory for the democratic processes of parliamentary government and a

rebutal to those who sought to throttle and gag the membership of this body in the discharge of their official duties in regard to this important legislation. In this connection, it should be noted that the distinguished chairman of the Rules Committee, the gentleman from New York [Mr. O'CONNOR], has cooperated throughout with our group in advancing this bill and freeing it from his committee. Our wage and hour bloc has been headed by the distinguished gentleman from Massachusetts [Mr. HEALEY], and we have labored assiduously in our efforts to induce our colleagues to sign the discharge petition.

However, the largest measure of credit and honor for the victory achieved rightfully belongs to our majority leader, SAM RAYBURN, of Texas, who has again demonstrated his ability to lead his party, and his unswerving devotion to liberal principles, and the victory would not have been possible without the support of Speaker BANKHEAD and the gentleman from Pennsylvania [Mr. BOLAND] and his aides.

Mr. Speaker, this is also another victory for our great humanitarian president, Franklin D. Roosevelt, who has championed this legislation during his entire administration and was responsible for its inclusion in the platform adopted at the Democratic national convention at Philadelphia last year, which I had the honor to attend as a delegate.

I still remember the enthusiasm with which the convention adopted this plank:

We know that \* \* \* minimum wages, maximum hours, child labor, and working conditions in industry cannot be adequately handled by 48 separate State legislatures, 48 separate State administrations, and 48 separate State courts. \* \* \* We have sought and will continue to seek to meet these problems through legislation within the Constitution.

In his closing campaign speech at Madison Square Garden, President Roosevelt proclaimed:

Of course we will continue to seek to improve working conditions for the workers of America—to reduce hours overlong, to increase wages that spell starvation, to end the labor of children, to wipe out sweatshops. \* \* \* For all these things we have only just begun to fight.

Our action here today also vindicates President Roosevelt's judgment in calling this special session of Congress.

Mr. Speaker, it is true that the bill in its present form is far from satisfactory, even to the labor groups. However, it can be changed and modified by amendment, and the country will rejoice that now in this forum of the people we are going to be accorded the opportunity of doing that very thing and thereby raise the living standards of millions of American citizens. [Applause.]

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, in an attempt to make some contribution to what I believe is a serious situation throughout the country in reference to taxes in one instance and attempting to get some relief during the present special session of Congress, I have today introduced a resolution to modify the corporate surplus tax to apply to the year 1937, with an explanatory memorandum in connection therewith.

The resolution referred to is as follows:

TAX RELIEF FOR 1937—JOINT RESOLUTION FOR IMMEDIATE RELIEF TO 97 PERCENT OF ALL CORPORATIONS AND TO STOCKHOLDERS

The joint resolution which I have introduced to provide for emergency relief from taxation for 1937 (H. J. Res. 524) follows largely the lines of a bill for a corporate surplus tax which I introduced in 1932 and reintroduced in subsequent Congresses. The present resolution, however, is limited strictly to the taxable year 1937 in order that a large measure of immediate relief may be furnished for 1937 without commitments or complications as to taxation for subsequent years. This resolution may be analyzed briefly as follows:

Section 3 provides for 1937 a flat deduction of \$100,000 in computing undistributed net income. This provision alone will exempt about 97 percent of all corporations from the



undistributed-profits tax, leaving it to be borne by two or three thousand large corporations which hold the center of the American industrial stage and are amply able to pay the tax.

Section 3 would also allow as deduction in computing undistributed net income for 1937 all sums repaid in 1937 and up to March 15, 1938, on account of principal of advances made by the United States or by instrumentalities like the Reconstruction Finance Corporation. It goes almost without saying that corporations whose financial needs have been such as to justify Government loans should be exempted from the surtax on undistributed profits, at least under conditions existing in 1937 and to the extent that their income is devoted to repaying the Government.

The Revenue Act of 1936 imposed upon resident foreign corporations (those engaged in business here) a flat tax of 22 percent upon their net income from American sources, as against the normal tax of about 15 percent imposed on American corporations, making a differential of 7 percent against such foreign corporations. This differential was intended as an equivalent for the undistributed-profits tax, from which foreign corporations were exempted. In line with the exemption now proposed of \$100,000 net income to each domestic corporation, section 4 of this resolution grants a corresponding exemption of \$100,000 net income from the 7-percent differential.

In the case of aliens and foreign corporations not doing business here but having income from American investments, the 1936 act substituted flat rates of taxation on their gross incomes from such investments. As to individuals, the chief defect in the new system was the failure to impose surtaxes, and this has been corrected by section 501 of the Revenue Act of 1937. Nonresident foreign corporations (those not engaged in business here) have complained that as to them the 1936 act is extremely harsh, since by taxing gross income without deductions it imposes a burden many times greater than that borne by domestic corporations, the tax frequently being imposed where there is in fact no net income whatever from American sources.

It has been contended that this arbitrary discrimination among friendly aliens violates both treaty and constitutional rights. At all events, this discrimination will be accentuated if the relief granted to resident foreign corporations is not made available on fair terms to all foreign corporations. Section 4, therefore, gives nonresident foreign corporations the right at their election to be placed on a parity with resident foreign corporations and to be taxed like them on net income from American sources. The resolution provides, however, that this relief shall be conditioned on the filing of such returns as may be required by the Treasury, and that the machinery for withholding and collecting taxes at the source shall not be affected.

One factor accentuating the present recession in business has been the withdrawal of foreign funds from investment in this country. Aside from all other considerations, the equitable relief to foreign corporations proposed by section 4 should give confidence to foreign investors and minimize the withdrawals of their capital and the consequent depression of our markets. The income of foreigners is necessarily subject to double taxation here and abroad, and in view of the close interrelationships and interaction of domestic and foreign markets it is highly desirable that this burden of double taxation should be minimized rather than arbitrarily increased.

By like token one of the most urgent steps to be taken in improving our tax system is to minimize the double taxation of corporate incomes, first in the hands of the corporations and then again in the hands of their stockholders. Under the British system large refunds are regularly granted to stockholders to compensate for taxes collected from their corporations. Until 1936 our tax laws gave relief to stockholders to the extent of exempting dividends from normal tax. A more logical form of relief is to grant to stockholders a credit against their income taxes to reflect taxes already

paid on corporate incomes. For the year 1937 the present resolution provides such a credit to the extent of 5 percent of dividends received by individuals. In frequent cases this will serve to wipe out the entire income tax of persons on small salaries—an act of justice—because their proportionate share of corporate incomes should never have been taxed at the 15 percent or higher rates applicable to corporations.

Sections 6 and 7 of the resolution will provide increased revenues from our larger corporations in amounts far exceeding the revenue losses caused by the relief provisions. The 1936 act relies primarily on collection of income taxes from stockholders and therefore grants total exemption from undistributed-profits tax to corporations distributing their entire net incomes. Perhaps no single feature of the act has done more to impair its effectiveness as a revenue producer than this total failure to provide for taxation of corporate incomes at the source. Section 6, therefore, provides that for 1937 the dividends-paid credit of any corporation in respect of net income in excess of \$1,000,000 shall be reduced by one-fourth. Thus, a substantial part of the incomes of our larger corporations will be subjected to at least 7 percent additional tax to 1937, and this tax will be readily and certainly collectible because based on adequate corporate records subject to ready audit by the Treasury. Incidentally this and the dividend credit to stockholders provided in section 5 will minimize, for 1937 at least, the wide discrepancy between the top brackets of individual surtaxes and the top brackets of effective taxation on corporate incomes.

It is idle to talk, however, about rates of corporate taxation, so long as our larger corporations are able to cover up their actual money income through the ledgermain of book-keeping reserves, based largely on estimates. The excessive allowance of such reserves was one of the prime causes of the impairment of Federal revenues in recent years and will similarly impair the revenues for 1937 if no remedy is furnished. As a moderate step toward eliminating the abuse of such reserves, section 7 of the present resolution limits, for the taxable year 1937, the deductions for certain types of reserves, but only in the case of corporations having net incomes in excess of \$1,000,000.

The combination of the proposal in section 6 to collect substantial income from our larger corporations at the source, and the provision in section 7 to prevent the concealment of large money incomes through juggling of book reserves, will undoubtedly produce new revenues far exceeding the revenue losses involved in the proposed relief provisions.

The legal and economic grounds for most of the provisions of the present resolution are discussed in considerable detail in my speeches reported in the CONGRESSIONAL RECORD for June 15, 1932, and March 10, 1936.

#### ECONOMIC BENEFITS OF AN UNDISTRIBUTED-PROFITS TAX

In now suggesting correctives for some of the hardships which have developed from the tax legislation of 1936 I would not wish to minimize the real benefits which that legislation has brought in various directions. Notwithstanding all its defects, the undistributed-profits tax has accomplished many of the beneficial objects for which it was designed. It has caused increases in dividends, increases in wages and bonus payments, and increases in expenditures for maintenance and repairs, and for advertising and sales promotion. The stagnant funds of our great corporations have thus been put to use, to the great benefit of their stockholders and employees and of the public. The purchasing power of the consuming classes has thus been greatly augmented, while the instruments of production and distribution have been improved and fortified without overexpansion of productive facilities. The tax has thus proved to be a natural and effective means of inducing money to circulate.

To these beneficial influences of the tax must be added one other of great importance, which is not readily observable nor generally recognized, namely, the inducement which the tax gives to manufacturers and other producers to deliver goods and services of better quality or at lower prices to the consumer. The same motives which lead corporate man-



agers to expend money in added wages for the purpose of building goodwill among their employees, rather than pay taxes to the Government, must in the long run influence them to build up consumer goodwill by delivering better values.

The country had had a similar experience once before. In 1919 the war excess-profits tax contributed largely to an unexpected prosperity, and the repeal of that tax, promised in 1920 and accomplished in 1921, was a principal cause of the depression of the early twenties. During the period of 15 years which followed its repeal we had no sound measure for stimulating and stabilizing prosperity, monetary inflation having been the chief means used by the Government for combating depressions throughout that period. An undistributed-profits tax, if confined to large corporations, furnishes a better means of duplicating the beneficial effects of the war excess-profits tax. And the outright repeal of the undistributed-profits tax would have the same deflationary effect as the repeal of the war excess-profits tax in 1921.

Nevertheless, it should be recognized that in the form in which it was adopted in 1936 the present law has defects. It works hardships on small corporations. It makes arbitrary and unjust discriminations between taxpayers. As to corporation incomes it intensifies the evil of double taxation by taxing the same earnings first in the hands of the corporations and again in the hands of the stockholders. It creates difficult problems of accounting and makes the tax burden of many taxpayers depend more on their skill in accountancy and prophecy than on the true amounts and proper disposition of their incomes.

Partly for these reasons, but conspicuously because it neglects to collect the revenue at the source (from a couple of thousand large corporations instead of from millions of stockholders), it has yielded less revenue than such a tax could readily produce. In its present form the law would require an immense Frankenstein of bureaucracy to administer it at all effectively.

#### HARDSHIPS ON SMALL CORPORATIONS; REASONS FOR EXEMPTING \$100,000 NET INCOME FROM UNDISTRIBUTED-PROFITS TAX

The revenue act provides no relief for corporations which are prohibited by law from paying dividends. Thousands upon thousands of corporations have suffered impairments of capital during the depression, so that they cannot lawfully pay dividends, even though they have at last begun to make money. They have, therefore, no escape from a tax which was designed to cover situations of a very different character.

The same is true of corporations which have incurred debts and must apply their earnings to debt reduction rather than dividends. Section 26 (c) of the revenue act, ostensibly providing for the relief of corporations which have contracts restricting dividends, is narrow in terms and has been strictly construed so that it substantially fails to meet the situation. Incidentally, by its arbitrary classification of the few corporations which are to be exempted, section 26 (c) raises a difficult question of unconstitutional discrimination between taxpayers.

The 1936 act fails to recognize the frequent necessity for small corporations to retain and reinvest their earnings in order to prevent their larger and better equipped competitors from destroying them. Through the failure to exempt any fixed amount of income, the tax is allowed to fall upon small corporations with crushing force.

Of still greater practical importance, the 1936 act proceeds on the assumption that taxable income can be determined with scientific accuracy. Frequently there are debatable questions which make it impossible to determine income definitely, and particularly where net income must be estimated before the close of the taxable year. The distinctions between income and capital items are often shadowy, while the determination of proper reserves for depreciation tax accruals, and similar items, the proper allocation of items as between different years, and the ever-present possibility of erroneous rulings by administrative officials or simple errors by their subordinate agents make the computation of corporate incomes a matter of uncertainty and risk.

An illustration is the case of corporations which at the end of 1935 had accounting reserves for accrued but unpaid processing taxes. These taxes were not finally declared unconstitutional until 1936, and on ordinary theories it may well be contended that such reserves were properly accrued and set up in 1935 and properly charged against 1935 operations, while offsetting credits should be made to the income account in 1936, to reflect the Supreme Court's decision in 1936. Yet the Bureau of Internal Revenue has ruled that deductibility of such taxes for 1935 must depend on their actual payment, even in the case of taxpayers keeping their accounts on an accrual basis.

From many standpoints, and particularly from the economic standpoint, it is a grave defect in the present act that it may thus result in taxation of something other than true net income. This is vitally important, because with the single exception of taxes on true net income all taxes tend to increase costs of production and are, therefore, generally passed on to the consumer. In the case of large corporations, errors in computing income may be offset in the long run under the law of averages, but to a small corporation such errors may be ruinous.

The hardships above mentioned bear most heavily upon small corporations and can be most readily relieved for the great majority of cases by granting a specific exemption, say, of \$100,000 net income to each corporation. Alternative proposals to exempt only corporations which are financially embarrassed or which are under legal or other obligations to withhold their income or apply it to debt reduction, would accentuate the evil of arbitrary discrimination among taxpayers and would, therefore, magnify the constitutional difficulties involved in section 26 (c), while furnishing no relief to a majority of small corporations whose difficulty is in sharply competitive situations or in determining their actual incomes.

A flat exemption of \$100,000 net income eliminates most of these cases of hardship, and most of the constitutional objections and legal problems now surrounding it. Such an exemption does not involve any prohibitive loss of revenue, even when applied (as here) retroactively for 1937, and it will effect administrative savings to both the Government and a multitude of taxpayers by obviating the need for detailed audits of small returns.

#### COLLECTION AT THE SOURCE; DIVIDEND CREDIT TO STOCKHOLDERS

The 1936 act has the effect of scattering corporate incomes to the four winds and then trying to collect the scattered fragments. It continues, and indeed accentuates, the contrast between low rates of tax on corporate incomes and high rates on individuals—a contrast which generates most of the devices for tax avoidance and intensifies the problem of capital-gains taxation. If corporate incomes were effectively subjected to surtax in the hands of operating corporations with corresponding credits to the stockholders so that such incomes would not again be taxed to the stockholders, there would be far less occasion for worry over personal holding companies and for debate as to the merits of a capital-gains tax.

The 1936 act is sound in granting to corporations some relief from surtax as to income distributed in dividends; the flaw in the act is in wholly exempting from surtax the income distributed. Pending a general revision of the revenue act, the present resolution proposes, for 1937 only, to limit the dividends paid credit to \$1,000,000 plus three-fourths of all dividends paid in excess of \$1,000,000.

This would probably produce from the larger corporations as much revenue as is now collected from individual stockholders upon all dividends distributed. Coupled with the provision allowing stockholders to credit against their own income taxes for 1937, 5 percent of all dividends received by them, it will stimulate the demand for dividends and minimize the incentive which many directors have, even under the present law, to vote against dividend distributions.

Although limited to 1937, the resolution makes at least a start toward eliminating the unjust double taxation of corporate incomes. If these provisions prove satisfactory for



1937, they will make practicable increased credits to stockholders, coupled with increases in the rates of corporate surtax upon large corporate incomes, thus granting relief to the ultimate taxpayers while enlarging the Federal revenues and reducing the expense and complications involved in their collection. As observed above, such collection at the source would be in accord with the methods long used and found advantageous in Great Britain.

#### CONSTITUTIONALITY OF LIMITATION ON DEDUCTIONS FOR DEPRECIATION

The reasons for placing foreign corporations more nearly on a parity with domestic corporations, with particular regard to relief proposed by this resolution, and the reasons for limiting the dividends paid credit and the deductions for depreciation, have already been discussed. As to the last point, however, it should be observed that there is no hard and fast rule for computing deductions for depreciation, and that the entire disallowance of such deductions is within the discretion of Congress.

As was observed in a note to the concurring opinion of Mr. Justice Brandeis in *Missouri ex rel. Southwestern Bell Telephone Co. v. Public Service Commission* (1923) (262 U. S. 276, 294):

Several different methods are used for measuring depreciation: (1) The replacement method; (2) the straight-line method; (3) the compound-interest method; (4) the sinking-fund method; (5) the unit-cost method. It is largely a matter of judgment whether, and to what extent, any one of these several methods of measuring depreciation should be applied. They may give widely different results.

The disallowance of depreciation reserves is justified by *Burnet v. Thompson Oil & Gas Co.* (1931) (283 U. S. 301, 304); *United States v. Blwabik Mining Co.* (1918) (247 U. S. 116); *Goldfield Consolidated Mines Co. v. Scott* (1918) (247 U. S. 126); cf. *Weiss v. Wiener* (1929) (279 U. S. 333, 335).

In addition, depreciation and depletion deductions were expressly or tacitly disallowed in the Civil War income-tax laws and the law of 1894, yet no point was made of this by the learned counsel who argued the *Pollock* case. *Pollock v. Farmers' Loan & Trust Co.* (1895) (157 U. S. 429, 158 U. S. 601); *Railroad Co. v. Collector* (1879) (100 U. S. 595, 597); *Bailey v. Railroad Co.* (1882) (106 U. S. 109, 115).

#### THE PROBLEM OF OBTAINING IMMEDIATE TAX RELIEF

It would be difficult to overstate the importance of providing immediate tax relief for 1937, of relieving businessmen from worries over year-end adjustments, of relieving stockholders to some extent from double taxation on dividends, and of assuring to aliens fair treatment and thereby removing their incentive to sell out their American investments.

It is hardly less important, from the standpoint of the urgent needs of the Treasury, that the undistributed-profits tax should be modified to secure much larger collections at the source in the case of taxes on large corporate incomes, and to insure against the avoidance of such taxes through overestimates of depreciation reserves.

All these objects can be attained for 1937 by the prompt adoption of the present resolution, without prejudice to the making of different or more extensive revisions of the tax laws for subsequent years.

The resolution referred to is as follows:

Joint resolution (H. J. Res. 524) to provide emergency relief from taxation for 1937 and to equalize taxation, and for other purposes

*Resolved, etc.,* That this joint resolution may be cited as the Tax Relief Resolution of 1937. All definitions contained in the Revenue Acts of 1936 and 1937 are hereby extended to and made a part of this resolution so far as not inconsistent herewith.

SEC. 2. The provisions of this resolution shall apply only to the calendar year 1937 and to fiscal years begun in 1937.

SEC. 3. In addition to the deductions from adjusted net income which are allowed by subsection (a) (2) of section 14 of the Revenue Act of 1936 (relating to surtax on undistributed profits), there shall be allowed as additional deductions in determining undistributed net income for 1937 the following amounts:

(1) One hundred thousand dollars; and  
(2) An amount equal to the aggregate of all sums which the taxpayer has repaid or shall repay, after December 31, 1936, and prior to March 15, 1938, to the United States or to any corporation all the stock of which is owned by the United States, or to any

other instrumentality in which the United States owns the entire beneficial interest, on account of the principal of loans or advances made by the United States or by such corporation or instrumentality.

SEC. 4. To equalize on a like basis so far as practicable the tax burdens of foreign and domestic corporations and the relative tax burdens of nonresident and resident foreign corporations:

(1) In the case of every resident foreign corporation (i. e., every foreign corporation engaged in trade or business within the United States or having an office or place of business therein), the rate of tax imposed by subsection (b) of section 231 of the Revenue Act of 1936 shall, in respect of the first \$100,000 of taxable net income of such corporation for the calendar year 1937 or its fiscal year begun in 1937, as the case may be, be reduced from 22 percent to 15 percent; and

(2) Any nonresident foreign corporation (i. e., any foreign corporation not engaged in trade or business within the United States and not having an office or place of business therein) may file with the collector on or before March 1, 1938, a written notice that, in respect of its income for the calendar year 1937 or its fiscal year begun in 1937, as the case may be, such corporation elects to be taxed as a resident foreign corporation under subsection (b) of said section 231, with the benefit of the reduction in rate provided for in the foregoing paragraph (1) of this section 4. Upon filing such notice, and upon filing also such returns as may be required by the Commissioner, such corporation shall, in respect of its income for said calendar or fiscal year, be taxed as a resident foreign corporation under said subsection (b), with the benefit of the reduction in rate above provided for upon the first \$100,000 of its net income, in lieu of being taxed under subsection (a) of said section 231.

(3) Nothing herein shall affect the requirement for withholding at the source in the case of nonresident foreign corporations as provided by section 144 of the Revenue Act of 1936, subject to the right of refund or credit, under sections 322 and 143 of said act, in case of any overpayment of tax by reason of such withholding.

SEC. 5. Against the normal tax and surtax imposed by sections 11 and 12 of the Revenue Act of 1936, every individual shall be allowed a credit equal to 5 percent of the aggregate amount received by such individual as dividends in cash within the calendar year 1937 from a domestic corporation which is subject to taxation under title I of said Revenue Act of 1936 as amended: *Provided*, That such credit shall not be allowed in respect of dividends received from a corporation organized under the China Trade Act, 1922, or from a corporation which under section 251 of the Revenue Act of 1936 is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

SEC. 6. In computing the credit allowed by section 27 of the Revenue Act of 1936 for dividends paid (including any credits for dividend carry-over, dividends in kind, dividends in obligations, and taxable stock dividends allowable under subsections (b), (c), (d), and (e) of said section 27), full credit up to an aggregate of \$1,000,000 shall be allowed to each corporation. For the calendar year 1937 or any fiscal year begun in 1937, however, any such credit in excess of \$1,000,000 in the aggregate which, but for this resolution, would be allowable under said section 27, shall be reduced by one-fourth; so that for any such year the credit to each corporation under said section 27 shall not exceed in the aggregate \$1,000,000 plus three-fourths of the total amount in excess of \$1,000,000 which, but for this resolution, would be allowable by way of credit under said section 27.

SEC. 7. In computing, for the purposes of the surtax on undistributed profits imposed by section 14 of the Revenue Act of 1936, the net income of any corporation for the calendar year 1937 or any fiscal year begun in 1937, the deductions allowable to such corporation under section 23 of said revenue act for reserves for exhaustion, wear and tear, and obsolescence of tangible assets having at their date of acquisition a probable useful life of more than 4 years (as distinguished from amounts actually paid out or expenditures actually incurred within such year for repairs and replacements or for otherwise restoring property or in making good the exhaustion thereof), shall be limited to an aggregate amount of \$1,000,000.

SEC. 8. Title I of the Revenue Act of 1936 as amended, and all administrative and special provisions of law, including the law relative to assessment of taxes, so far as applicable and not inconsistent herewith, are hereby extended to and made a part of this resolution.

SEC. 9. If any provision of this resolution or the application thereof to any person or circumstance, is held invalid, the remainder of this resolution, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 10. This resolution shall take effect as of January 1, 1937.

#### ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Friday, December 3, 1937, at 12 o'clock noon.



## MOTION TO DISCHARGE COMMITTEE

NOVEMBER 16, 1937.

*To the Clerk of the House of Representatives:*

Pursuant to clause 4 of rule XXVII, I, Hon. MARY T. NORTON, move to discharge the Committee on Rules from the consideration of House Resolution 312, entitled, "A resolution for the consideration of S. 2475," which was referred to said committee August 13, 1937, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Mary T. Norton.
2. Alfred F. Beiter.
3. Edward W. Curley.
4. Thomas F. Ford.
5. Jerry J. O'Connell.
6. **Martin F. Smith.**
7. Peter J. DeMuth.
8. Robert G. Allen.
9. Herman P. Kopplemann.
10. Thomas R. Amlie.
11. Albert Thomas.
12. Gardner R. Withrow.
13. Knute Hill.
14. Maury Maverick.
15. Michael J. Bradley.
16. Jerry Voorhis.
17. M. A. Dunn.
18. John F. Hunter.
19. James F. O'Connor.
20. J. Joseph Smith.
21. Edward C. Eicher.
22. Michael J. Stack.
23. William I. Sirovich.
24. Henry G. Teigan.
25. John A. Martin.
26. George B. Kelly.
27. J. Buell Snyder.
28. Chester Thompson.
29. Thomas H. Cullen.
30. R. S. McKeough.
31. Emanuel Celler.
32. Herman P. Eberharter.
33. W. S. Jacobsen.
34. Leon Sacks.
35. Joseph E. Casey.
36. James A. O'Leary.
37. Frank J. G. Dorsey.
38. William B. Barry.
39. John M. Coffee.
40. Thomas O'Malley.
41. Michael J. Kirwan.
42. William J. Fitzgerald.
43. Guy J. Swope.
44. Harry P. Beam.
45. Eugene J. Keogh.
46. Joseph L. Pfeifer.
47. William A. Ashbrook.
48. Matthew J. Merritt.
49. James J. Lanzetta.
50. J. Burrwood Daly.
51. Caroline O'Day.
52. G. J. Boileau.
53. John M. O'Connell.
54. M. H. Evans.
55. Aime J. Forand.
56. Ira Walton Drew.
57. W. T. Byrne.
58. Charles H. Leavy.
59. Charles J. Colden.
60. Joseph A. Dixon.
61. Edward L. O'Neill.
62. John Luecke.
63. Ed. V. Izac.
64. Byron N. Scott.
65. Charles A. Wolverton.
66. R. T. Wood.
67. Louis Ludlow.
68. Samuel Dickstein.
69. Finly H. Gray.
70. Louis C. Rabaut.
71. James H. Gildea.
72. William M. Citron.
73. Fred H. Hildebrandt.
74. H. K. Claypool.
75. James M. Fitzpatrick.
76. William F. Allen.
77. Charles A. Buckley.
78. A. L. Bulwinkle.
79. Robert L. Ramsay.
80. Lester Hill.
81. Luther Patrick.
82. John Lesinski.
83. George W. Johnson.
84. George G. Sadowski.
85. Hugh M. Rigney.
86. John J. McGrath.
87. Nan Wood Honeyman.
88. James A. Shanley.
89. James M. Mead.
90. William T. Schulte.
91. M. K. Reilly.
92. Anthony A. Fieger.
93. Glenn Griswold.
94. Frank E. Hook.
95. Martin L. Sweeney.
96. Charles R. Eckert.
97. Lewis L. Boyer.
98. Jennings Randolph.
99. James C. Oliver.
100. Arthur B. Jenks.
101. Clyde H. Smith.
102. Joseph A. Gavagan.
103. Dewey W. Johnson.
104. Lyndon Johnson.
105. J. Harold Flannery.
106. Donald L. O'Toole.
107. John J. Delaney.
108. Kent E. Keller.
109. George J. Schneider.
110. David J. Lewis.
111. Arthur D. Healey.
112. John D. Dingell.
113. W. D. McFarlane.
114. J. W. Robinson.
115. Adolph J. Sabath.
116. John W. McCormack.
117. Monrad C. Wallgren.
118. Elmer H. Wene.
119. Herbert S. Bigelow.
120. R. T. Buckler.
121. E. W. Patterson.
122. Franck R. Havenner.
123. Andrew J. Transue.
124. George D. O'Brien.

125. W. H. Larrabee.
126. Frank W. Fries.
127. W. R. Thom.
128. Edward A. Kelly.
129. Dow W. Harter.
130. Warren G. Magnuson.
131. Charles I. Faddis.
132. Sol Bloom.
133. Martin J. Kennedy.
134. John T. Bernard.
135. Usher L. Burdick.
136. William Lemke.
137. Charles N. Crosby.
138. Henry Ellenbogen.
139. Harry R. Sheppard.
140. Francis E. Walter.
141. James L. Quinn.
142. Harry L. Haines.
143. B. J. Gehrmann.
144. Thomas J. O'Brien.
145. Don Gingery.
146. Harry Sauthoff.
147. R. E. Thomason.
148. J. P. Richards.
149. Lewis M. Long.
150. John McSweeney.
151. Richard J. Welch.
152. James P. McGranery.
153. Oliver W. Frey.
154. Sam Rayburn.
155. Patrick J. Boland.
156. Guy L. Moser.
157. John M. Houston.
158. Arthur H. Greenwood.
159. John W. Flannagan.
160. Abe Murdock.
161. E. W. Creal.
162. Alfred N. Phillips, Jr.
163. J. G. Polk.
164. John Kee.
165. Fred M. Vinson.
166. Otha D. Wearin.
167. R. M. Duncan.
168. John H. Tolan.
169. John F. Dockweiler.
170. John R. Murdock.
171. A. J. May.
172. Compton I. White.
173. Paul R. Greever.
174. Robert Crosser.
175. William H. Sutphin.
176. Merlin Hull.
177. Charles G. Binderup.
178. Paul J. Kvale.
179. Brent Spence.
180. Charles Kramer.
181. Lawrence E. Imhoff.
182. Robert Ramspeck.
183. Heyward Mahon.
184. William B. Umstead.
185. Joseph Gray.
186. B. M. Vincent.
187. Marvin Jones.
188. James McAndrews.
189. John J. Cochran.
190. Virginia E. Jenckes.
191. Andrew L. Somers.
192. Edward J. Hart.
193. Arthur W. Mitchell.
194. George N. Seger.
195. Luther A. Johnson.
196. John Steven McGroarty.
197. Lex Green.
198. J. Hardin Peterson.
199. Joe Hendricks.
200. Frank W. Towey.
201. Edward A. Kenney.
202. Sam C. Massingale.
203. Charles L. Gifford.
204. M. A. Romjue.
205. James I. Farley.
206. Eugene B. Crowe.
207. E. M. Schaefer.
208. Wilburn Cartwright.
209. Robert T. Secrest.
210. Phil Ferguson.
211. T. Alan Goldsborough.
212. Ambrose J. Kennedy.
213. Stephen W. Gambrill.
214. Edwin V. Champion.
215. James A. Meeks.
216. Lawrence J. Connery.
217. Joe L. Smith.
218. J. J. Mansfield.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees December 2, 1937.

## COMMITTEE HEARINGS

## COMMITTEE ON MERCHANT MARINE AND FISHERIES

(Friday, December 3, 1937)

The Merchant Marine and Fisheries Committee will hold a public hearing on H. R. 8532, to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, in room 219, House Office Building, on Friday, December 3, 1937, at 10 a. m.

## COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Sales Tax Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, December 3, 1937.

Business to be considered: To continue hearing on H. R. 4722 and H. R. 4214.

There will be a meeting of Mr. MALONEY's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, December 16, 1937.

Business to be considered: Hearing on S. 1261—Through routes bill.



## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

862. A letter from the quartermaster general, United Spanish War Veterans, transmitting the proceedings of the stated convention of the Thirty-ninth National Encampment of the United Spanish War Veterans, held at Columbus, Ohio, August 22 to 26, 1937, which is submitted in accordance with Public Resolution No. 126 (H. Doc. No. 451); to the Committee on Military Affairs and ordered to be printed, with illustrations.

863. A letter from the Archivist, The National Archives, transmitting herewith a list of papers, consisting of one item, among the archives and records of the Department of the Treasury which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

864. A letter from the Archivist, The National Archives, transmitting herewith a list of papers, consisting of 17 items, among the archives and records of the Department of War which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

865. A letter from the Archivist, The National Archives, transmitting herewith a list of papers, consisting of 811 items, among the archives and records of the Department of War which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

866. A letter from the Archivist, The National Archives, transmitting herewith a list of papers, consisting of 883 items, among the archives and records of the Department of the Navy which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

867. A letter from the Archivist of the United States, transmitting a list of papers, consisting of one item, among the archives and records of the United States Food Administration, but now in the custody of The National Archives, which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

868. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 23 items heretofore transferred into his official custody by the Civil Service Commission, which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

869. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 135 items, among the archives and records of the Veterans' Administration, which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

870. A letter from the Archivist of the United States, transmitting a list of papers, consisting of eight items, among the archives and records of the Federal Housing Administration which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

871. A letter from the Archivist of the United States, transmitting a list of papers, consisting of eight items, among the archives and records of the Department of Labor which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

872. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 39 items, among the archives and records of the Department of Commerce which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

873. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 129 items, among

the archives and records of the Department of the Interior which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

874. A letter from the Archivist of the United States, transmitting herewith the accompanying lists of papers, consisting of 158 items, among the archives and records of the Department of Agriculture which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TREADWAY: A bill (H. R. 8575) designating the Library of Congress as the Thomas Jefferson Memorial Library, and for other purposes; to the Committee on the Library.

By Mr. KEOGH: A bill (H. R. 8576) to provide retirement annuities for certain former employees; to the Committee on the Civil Service.

By Mr. HILDEBRANDT: A bill (H. R. 8577) to provide for the employment of star-route carriers, and to establish a schedule of pay for services on such routes, and for other purposes; to the Committee on the Post Office and Post Roads.

Mr. RAMSPECK: A bill (H. R. 8578) to amend section 811 (b) (1) and section 907 (c) (1) of the Social Security Act (Public, No. 271, 74th Cong.) to further define the words "agricultural labor"; to the Committee on Ways and Means.

By Mr. O'TOOLE: A bill (H. R. 8579) to amend the National Housing Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. GRISWOLD: A bill (H. R. 8580) to establish a maximum workweek and a minimum wage in employments in and affecting interstate commerce, to make it unlawful to violate such provisions, and for other purposes; to the Committee on Labor.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 8581) providing for parity and crop-insurance payments with respect to cotton, wheat, and corn; providing an adequate and balanced flow of certain agricultural commodities in interstate and foreign commerce; and for other purposes; to the Committee on Agriculture.

By Mr. TAYLOR of Tennessee: A bill (H. R. 8582) to amend Public Law No. 190 of the Sixty-sixth Congress; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 8583) to regulate interstate and foreign commerce by prescribing the conditions under which corporations may engage or may be formed to engage in such commerce, to provide for and define additional powers and duties of the Federal Trade Commission, to assist the several States in improving labor conditions and enlarging purchasing power for goods sold in such commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. VOORHIS: A bill (H. R. 8584) to amend the Revenue Act of 1936; to the Committee on Ways and Means.

By Mr. BINDERUP: A bill (H. R. 8585) to restore to Congress the sole power to issue money and to regulate its value as provided in article I, section 8, of the Constitution of the United States; to restore full employment and production; to prevent inflation and depression; and to provide a stable currency; to the Committee on Banking and Currency.

By Mr. BOREN: A resolution (H. Res. 371) creating a select committee of the House of Representatives to investigate the activities of the W. B. Pine Oil Co.; to the Committee on Rules.

By Mr. O'CONNOR of New York: A joint resolution (H. J. Res. 524) to provide emergency relief from taxation for 1937 and to equalize taxation, and for other purposes; to the Committee on Ways and Means.



## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH: A bill (H. R. 8586) for the relief of George W. Mason, trustee for the Congress Construction Co.; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 8587) for the relief of Hugh Boyd and Mrs. Hugh Boyd; to the Committee on Claims.

By Mr. KEE: A bill (H. R. 8588) granting a pension to Helen B. Willyoung; to the Committee on Pensions.

By Mr. LANZETTA: A bill (H. R. 8589) for the relief of Pasquale Lobrano; to the Committee on Immigration and Naturalization.

By Mr. McGROARTY: A bill (H. R. 8590) for the relief of William L. Clark; to the Committee on War Claims.

By Mr. SIROVICH: A bill (H. R. 8591) for the relief of Dymtro or Jim Gural; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Washington: A bill (H. R. 8592) to provide for the reimbursement of Ray Fielder for the value of personal effects lost in the sinking of the U. S. S. *Hector* on July 14, 1916; to the Committee on Claims.

By Mr. SNELL: A bill (H. R. 8593) granting an increase of pension to Mary Bayette; to the Committee on Invalid Pensions.

By Mr. SWEENEY: A bill (H. R. 8594) for the relief of the Cleveland Railway Co.; to the Committee on Claims.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3476. By Mr. SEGER: Petition of the Textile Workers' organizing committee's joint board of New Jersey, favoring the enactment of the wage and hour bill; to the Committee on Labor.

3477. Also, petition of the Townsend Club, No. 1, of Paterson, N. J., opposing the wage and hour bill; to the Committee on Labor.

3478. Also, petition of the New Jersey State Grange and New Jersey Farm Bureau, opposing restrictive farm legislation leading to compulsory production control; to the Committee on Agriculture.

3479. By Mrs. ROGERS of Massachusetts: Petition of the City Council of the City of Lowell, Mass., urging early enactment of the so-called wage and hour bill; to the Committee on Labor.

3480. By Mr. KRAMER: Resolution of the Silver Lake Young Democratic Club of California, relative to the strengthening of neutrality legislation; to the Committee on Foreign Affairs.

3481. By Mr. ASHBROOK: Petition of the Tax Commission of Ohio, urging passage of House bill 8045; to the Committee on Ways and Means.

3482. By Mr. LUTHER A. JOHNSON: Petition of the Texas Planning Board, favoring the inclusion of Texas in a regional planning agency to be composed of Texas, Oklahoma, New Mexico, Louisiana, and Colorado, instead of attaching Texas to the Arkansas River Valley region; to the Committee on Rivers and Harbors.

3483. Also, petition of the Texas Society of Certified Public Accountants, favoring the continuance of the office of Comptroller General, and adequate funds to maintain same; to the Committee on Reorganization.

3484. By Mr. SHANLEY: Petition of the Jewish war veterans of the United States on un-American activities; the people of the town of Southbury, Conn., against the establishment of a Nazi camp in Connecticut; and the English branch of the International Workers' Order, of New Haven, against the establishment of a Nazi camp in Connecticut; to the Committee on Immigration and Naturalization.

3485. By Mr. MEAD: Petition of the Genesee Conference, Epworth League, supporting the United States Government in its treatment of the far eastern situation; to the Committee on Foreign Affairs.

3486. By Mr. SEGER: Petition of 200 citizens of Paterson, N. J., and vicinity, against any legislation which might tend to increase taxes on food of any description; to the Committee on Ways and Means.

3487. By Mr. MERRITT: Resolution of the Chamber of Commerce of the Borough of Queens, N. Y., stating that the board of directors favors the repeal of the section of the income tax providing for publicity; to the Committee on Ways and Means.

3488. Also, resolution of the Chamber of Commerce of the Borough of Queens, N. Y., stating that the board of directors favors the repeal of the surplus-earnings tax and a downward revision of the capital-gains tax; to the Committee on Ways and Means.

3489. Also, resolution of the Chamber of Commerce of the Borough of Queens, N. Y., stating that the board of directors expresses the view that the wage and hour bill before Congress is not desirable legislation; to the Committee on Labor.

## SENATE

FRIDAY, DECEMBER 3, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

## THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, December 2, 1937, was dispensed with, and the Journal was approved.

## CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pepper
Ashurst	Davis	La Follette	Pittman
Austin	Donahey	Lee	Pope
Bailey	Duffy	Lodge	Radcliffe
Bankhead	Ellender	Logan	Russell
Barkley	Frazier	Lonergan	Schwartz
Berry	George	Lundeen	Schwellenbach
Bilbo	Gerry	McAdoo	Sheppard
Borah	Gibson	McCarran	Shipstead
Bridges	Gillette	McGill	Smathers
Brown, Mich.	Glass	McKellar	Smith
Brown, N. H.	Graves	McNary	Thomas, Okla.
Bulkeley	Green	Maloney	Thomas, Utah
Bulow	Guffey	Miller	Townsend
Burke	Hale	Minton	Truman
Byrd	Harrison	Moore	Tydings
Byrnes	Hatch	Murray	Vandenberg
Capper	Hayden	Neely	Van Nuys
Caraway	Herring	Norris	Wagner
Chavez	Hitchcock	Nye	Walsh
Clark	Johnson, Calif.	O'Mahoney	Wheeler
Connally	Johnson, Colo.	Overton	White

Mr. MINTON. I announce that the Senator from West Virginia [Mr. Holt], the Senator from Delaware [Mr. Hughes], and the Senator from North Carolina [Mr. Reynolds] are absent because of illness.

The Senator from Florida [Mr. Andrews], the Senator from Washington [Mr. Bone], the junior Senator from Illinois [Mr. Dieterich], and the senior Senator from Illinois [Mr. Lewis] are unavoidably detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

## AGRICULTURAL RELIEF—ORDER FOR CONSIDERATION OF AMENDMENTS

Mr. BARKLEY. Mr. President, I ask unanimous consent that in the further consideration of Senate bill 2787, to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and